THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

VOL. XVIII. Annual Subscription, $5.00 PUBLICATION OFFICE: TORONTO, FEBRUARY 1, 1924 Single Copies, 10 Cents No. 5

THE SPENDERS ARE NOW ON THE RUN AT OTTAWA

Widespread Movement For Lower Taxes Has Its Effect

GOVERNMENT ROUSED

Department Heads to Apply the Axe—Farmers Demand Less Spending to Improve Conditions

"The spenders are on the run," so writes a close student of the Ottawa situation. The capital has finally felt the wave of public sentiment in favor of lower taxes and retrenchment in public spending. The heads of the civil service have been asked to put the axe to their estimates. Department chiefs have been called to meet the government and it is expected that there will be some plain speaking. "The economy wave has given the civil service the biggest scare in the past quarter of a century," writes the Ottawa correspondent of THE FINANCIAL POST, who adds that "it has been common knowledge that a storm over expenditure and taxation had been brewing in the country but many thought that, like many another threatening storm, it would blow over; this one, however, gives every indication of cutting a swath similar to that of a cyclone." The progress made by the Mellon tax reduction proposals in the United States and the nation-wide demand for similar relief in Canada which has been reported in recent weeks by THE FINANCIAL POST, have brought the government to a realization that something has to be done and Ottawa understands that Premier King has told acting Finance Minister Robb to "go to it."

The news that Ottawa is being aroused to the necessity for reducing taxes is a hopeful development in a business situation which shows little other change. Business and financial authorities in the United States regard the tax reduction proposals as "the factor above all else to be watched" and the same is true in Canada—although as yet there is no definite program. It is true in Canada as well as the United States also, however, that only a reduction in business super taxes to an extent which will encourage capital to go into new enterprise, instead of seeking "safety-first" investments such as government bonds will materially help the industrial situation.

"Safety-First" Capital

The idea that Canadian capital should be seeking investment in new enterprises to develop our great resources rather than following the "safety-first" course in government securities, was referred to at the annual meeting of the National Trust Company by the General Manager, W. E. Rundle who referred to the splendid record in connection with the floating of refunding and over Government loans recently, but ventured the suggestion, however, that, bearing in mind Canada's position as young country with great natural resources requiring capital to develop, it would be wise to borrow abroad for some at least of the national requirements.

Farmers Join Movement

The universal character of the demands for reduced spending and taxation relief is indicated in the passage by the Saskatchewan Grain Growers of a resolution calling on the government for an immediate cut of 25 per cent. in the expenditures of the Dominion government and the first step in recovering from the present industrial and agricultural conditions. This recognition by the farmers that government spending is a big factor in the agricultural depression is also indicated by the declaration of the Grain Growers' Guide that "the first duty of the Dominion government is to cut down its expenditure drastically; many millions can be saved to the taxpayers in a year by business-like measures of economy in governmental administration." It was no doubt these demands from the farmers, added to the calls for retrenchment from all other classes in the community as reflected by the newspapers throughout the country, including the government press, which have aroused Ottawa.

West More Confident

The shareholders of the Dominion Bank heard the opinion that "conditions generally have undoubtedly come to the turning point," expressed in a letter from Vice-President Sir Augustus Nanton, who is en route to Europe. Sir Augustus says that many lines of trade show an improvement, and that with a good flow of immigration prosperity should return to Canada. There are evidences of more confidence in the Western business situation. In Alberta, following last year's bumper crop, wholesalers are sanguine regarding conditions for spring and summer of this year. It is beng pointed out that the soil still retains a large quantity of the moisture so abundant last year, and there has been a fairly good fall of snow throughout the entire province. The fact that there must be a large quantity of grain still in the hands of the farmers is also being pointed out.

Train College Students To Encourage Strikers

Among the activities which it is proposed to carry out under the League of Industrial Democracy, or any one of the names it assumes in the different colleges, such as Social Science Club, Socialist Study Club, Forum, Round Table, Liberal Club and what not, is the aid of strikers. The confidential instructions given to organizers of these Industrial Students' Study Groups at the University of Toronto are: "That they should render real assistance by learning the facts about a given strike, and, in some cases, be able to help local situations." They advise that any local branch, under whatever name it goes, ought to make it its business to know about any strike of considerable importance in its locality, and act intelligently on the basis of the facts it discovers.

BONDHOLDERS FORCE BATTLEFORD CLAIMS

Expect Important Decision On Security Behind Bonds, Following Foreclosure

What is a mortgage on a municipality? What real security has the holder of such a mortgage, and how far can he go in enforcing collection of interest and principal? These questions have been the subject of attention by bondholders of defaulting municipalities in Western Canada recently. An attempt is about to be made by the bondholders of Battleford, Sask., to determine this point.

Since the town became involved in financial difficulties protracted negotiations with a view to making an amicable adjustment have taken place. The local government board was applied to for an enquiry. Following the failure of the board to make a recommendation, the bondholders have investigated the other available means of enforcing their claims. THE FINANCIAL POST learns that a decision has been reached to take foreclosure proceedings. The results of their action will be carefully watched in view of its possible effect on the settlement of the difficulties of other municipalities.

UNITED STATES HAS NEED FOR OUR WHEAT

Exports Are Running High Despite the Tariff Impediment —Canadian Costs Lower

From Our Own Correspondent.

OTTAWA.—It looks as though exports of wheat to the United States during the current crop year would be second only to those of 1920-21 when a little over 42,000,000 bushels went across the line. For the first four months of the crop year, to December 31, they exceeded 22,000,000 bushels. In December alone they were over 5,000,000.

It is understood that the committee of the United States Tariff Commission that has been enquiring into the cost of producing wheat in this country, as compared with that across the line, has been surprised at the lower range of cost as compared with that in the Western states. It seemed a bit nervy that an American commission should attempt to collect information on costs over here that might be used to the detriment of Canada through an increase in the United States duty on wheat. But, on the whole, it was considered that eventually the information would be good advertising for this country.

MORTGAGE CAPITAL SCARED IN ALBERTA

Associated Mortgage Investors Company, of Rochester, is Withdrawing Funds

From Our Own Correspondent.

CALGARY.—The Associated Mortgage Investors' Company, of Rochester, N. Y., which for many years has done a large business in Western Canada, has told the Alberta government plump that in view of the legislation it has enacted since it came into power two years ago that it is withdrawing all new investments from the province.

This will come as a smashing blow, and is but the forerunner of the action of other large financial companies that have been closely interested with Alberta from an investment standpoint.

The explanation given by the Associated Mortgage Investors was that while they had still abiding faith in the province they were withdrawing because of conditions over which they had no control. The principle of the first mortgage, they state, is that the amount loaned is definite. There was nothing speculative or open to chance. In its operation in Alberta, however, the principle was not followed, and the holder of a first mortgage had nothing definite as to the amount which he had in the property, because of the various charges which could be made, and which could become in reality a part of the mortgage.

Although no official estimate has been made, it is reported on good authority that profits realized by the Manitoba Liquor Commission in the last quarter of 1923 will total around $400,000.

CANADIAN TAXES THIRD MORE THAN IN UNITED STATES

This is Conclusion From Per Capita Analysis

$500 FOR A FAMILY

Heavy Burden Being Borne When Federal, Provincial and Municipal Levies are All Considered

From Our Own Correspondent.

OTTAWA—Enquiry prompted by the report issued by the U.S. census department to the effect that the per capita taxation over there for federal, state and municipal purposes is $68.37, leads to the conclusion that in the cities at least of Canada, taxation is one-third higher. Across the line the $68.37 is made up as follows: federal, $29.47; state and municipal, $38.90. These were the figures for 1922.

As the federal revenue collections in 1922-23 in Canada were approximately $396,000,000, the per capita federal taxation worked out at about $44, or fully 33 per cent. higher than in the United States. To be exact, the percentage was higher than that, for even with this rate Canada did not balance her budget by over $31,000,000, nor did she make provision for the retiring of the war debt. The United States federal tax of about $30 per head provided a surplus of roughly $300,000,000 and a sinking fund much larger even.

The latest Bureau of Statistics' figures for provincial expenditure are for 1921, and they warrant the conclusion that the per capita taxation under this head is about $12.

The latest figures for taxation in cities of 10,000 and over published by the Bureau of Statistics are for 1920; but others now being collected for 1922 enable one to draw fairly accurate conclusions respecting the average rate of collection in that year. In 1920 "compulsory taxation" brought in per capita revenue of $33.39. So that even had there been no increase during the next two years the per capita collections for federal, provincial and municipal purposes would have been over $89 a head, or within two points of being one-third higher than in the United States.

But the increase in taxation in the larger cities, especially those in the East, warrants the conclusion that in 1922 the per capita taxation therein was not far from $40. Indeed, this looks very much like a conservative figure.

The investigation leads to the conclusion that for federal, provincial and municipal purposes the taxation for every man, woman and child in Canada works out at easily $100 per annum. For a man and wife and three children this year $500 a year.

Ten years ago the federal government collected in taxes only $22 a head, but as there was a surplus during that year of $35,000,000, or about $4.70 a person, it worked out that on our present basis of budgeting the per capita contribution for federal purposes was then only $20 a year. Municipal taxes have undergone an even greater increase.

Montreal Power is Making New Records

MONTREAL. — When Montreal Power touched 150 this week, it reached the highest point in the history of the stock, and when it announced gross earnings of $16,140,960, net earnings of $9,027,000, and earnings of 9.59 per cent. on the common stock, it revealed the most satisfactory year it has yet had.

Ottawa to Consider Proposal to Fill Barren Field of Credit in the West

OTTAWA.—The various agitations for something to supply the needs of what has been acknowledged by some of the bankers as a "barren field of credit" in Western Canada will, it is a foregone conclusion, be met by some recommendation of a constructive character from the commission of inquiry which the government appointed to consider the situation.

It is believed that a proposal will be put forward for the formation of a new financial corporation, in which the federal government, the banks, the mortgage companies, and other loaning companies, will join to extend relief. Thus, the financial institutions would share with the government the risk for advancing loans where needed, and where the limit of reasonable credit has already been reached.

The machinery under such a plan would be comparatively simple. The farmer would place his affairs in the hands of the bank or the loan company from which he already has advances, and his application would be passed on by a small provincial board representing the proposed corporation.

This plan would have the advantage of keeping the new loans within reasonable control, and credit would only be advanced to those in need and with a fair chance of making repayment. It is felt that under the present demands for government retrenchment it would be poor policy to adopt any project for government banks or other open-handed government assistance from the public treasury for Western farmers which would meet with the opposition of farmers as well as other classes in the other provinces.

It is being pointed out that the lavish guarantee of farm securities in the United States through the farm loan banks have resulted in bank failures and many losses to the government without improving conditions in the agricultural industry. Canada, it is believed, is in a better position to-day without this paternalism, largely because the existing machinery for farm credits has been administered with care and consideration by the banks and the loaning companies.

BAY SULPHITE'S REORGANIZATION NOW UNDER WAY

Hope to Have Plan Ready to Submit to Investors

From Our Own Correspondent.

MONTREAL.—When the bond holders of Bay Sulphite Company gather at the meeting that has been called for February 21 it is hoped that a plan for the re-organization of the company, which is now in liquidation, can be presented and approved. The bond holders' meeting has been called by the Montreal Trust Company for the purpose of appointing a bond holders' protective committee, to pass resolutions that will enable a reorganization to be effected, and to provide the exchange of securities for the securities of any new company that may be formed.

One feature that should facilitate reorganization on a basis that will provide ample protection for the bond holders is the fact that control of the company is to all intents and purposes in Canada, and in the hands of interests whose aim would be to protect the bond holders by every means possible.

The company's difficulties were brought about by the failure of Becker and Company, British paper merchants, who formerly exercised a large measure of control over its affairs, and who had charge of the marketing of its sulphite pulps in the United Kingdom. A lot of money has been lost by Bay Sulphite as a result of the Becker failure, but the loss is not irreparable, nor is the loss of the British selling connection. Pulp is now being sold in the United States, and, although one of the company's two mills, the Chandler mill in the Gaspe country, is not operating, production is at a fair level, and the margin of profit such that about $500,000 is being earned to cover bond interest of about half that amount.

A number of people who bought Bay Sulphite bonds last spring are surprised to find now that they do not own the Chandler mill of the company, but rather that it is owned by another oroganization, the St. Lawrence Pulp and Lumber Company. Bay Sulphite owns the entire capital stock of the St. Lawrence Company, but there are, nevertheless, bonds outstanding on the St. Lawrence property, so that the Bay Sulphite bonds are a first charge on the Port Alfred

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ALLEGE BOOK PAPER SHIPPED AS NEWSPRINT

Canadian Manufacturers Scoff at Idea of Evasion

WASHINGTON. — Representations have been made here by certain United States paper manufacturers whose interests have been affected that Canadian mills have been shipping higher-grade papers and passing them through the customs as newsprint. Recently, some shipments from a Quebec mill were held up at the border and tests made of the paper. The matter is still pending.

Last autumn, some sales were made of low-grade book papers by Canadian mills to periodical publishers on this side at prices alleged to be 50 per cent. lower than they were selling the same paper in Canada, and action was threatened against the users; but the matter is still unsettled. One publisher said he had used that Canadian paper exclusively for printing the supply for Canadian readers, and it was, therefore, not contravening the valuation regulations.

MONTREAL.—Canadian newsprint manufacturers scoff at the idea that any Canadian mills are deliberately trying to slip something over the United States customs department by shipping in high-grade papers labelled newsprint. A few weeks ago one shipment of Canadian newsprint was examined by a United States customs officer, and the small sample submitted to chemical analysis seemed to show about 40 per cent of sulphite pulp. Ordinary newsprint contains little more than half that total of sulphite pulp. The circumstance made United States officers suspicious and some shipments were held up.

Later, however, different arrangements were made for keeping a check on Canadian newsprint shipments. It was realized by the United States that no adequate analysis of a carload of paper can be made from a small piece of newsprint. Canadian newsprint shipments are no longer being held up. It is definitely declared by Canadian paper men that no book paper has gone into the United States as newsprint.

It might be pointed out that newsprint, of a standard grade, enters the United States duty free, while book paper is subject to heavy duties.

The statement in the Washington despatch to the effect that Canadian paper—quite probably book paper is referred to—has been sold in the United States at 50 per cent. below Canadian prices is tantamount to the charge that Canadian manufacturers have been "dumping" their product in the United States, for which action heavy penalties are provided by the United States. Canadian trade statistics indicate practically no Canadian book paper has been sold in the United States this year. Canadian book paper manufacturers, who must divide the time of their machines between several grades of paper, claim they cannot compete successfully against American manufacturers who may operate an entire mill on paper for a single publisher, even if there were no duty on the Canadian product going into the States. Were this duty removed it would make it possible for Canadian paper makers to get into mass production of paper and would so reduce their costs as to make it possible for them to sell book paper in the United States as extensively as they now sell newsprint paper there.

McMaster to be New Besco Head, Says Report

MONTREAL. — Rumor says that Ross McMaster, vice-president of Steel Company of Canada, is to be the new president of British Empire Steel at one hundred thousand a year.

Soviet's Pernicious Teachings

The current issue of "The Payroll"—a Western business paper, and organ of the Employers' Association of Manitoba—points out that "a year ago it reported a secret meeting of Toronto University students which was addressed by an emissary of the Workers' Party from Chicago, with the object of introducing the system of boring from within in Toronto University, the purpose being to create disloyalty and class hatred."

This news is specially interesting at this time, because "The Toronto Star," unable to explain the evidence brought out before Hon. Mr. Justice Kelly at Port Arthur, showing the widespread efforts to develop discontent and disloyalty throughout Canada, said there was no possible connection between this Workers' Party at Port Arthur and the work going on at Toronto University. THE POST said they were all directed from the same foreign, anti-British headquarters in Toronto and the United States.

Winnipeg newspapers should be really closer in touch with the doings of these foreign agitators than they are in other centres of Canada. It was in Winnipeg labor and college circles where they first began their work, and it was mainly among divinity students they got effective results. The series of ten articles just published by the eminently-conservative and sane Winnipeg Free Press contains a startling exposure of the underground doings of the Workers' Party in Canada, which is the Canadian division of the Moscow Soviet.

According to the evidence that came out, they are teaching that the first step is the destruction of religion and the churches, especially the Roman Catholic Church; that the clergy are black crows; that marriage is an institution of capitalists; that home and family life is a fallacy and another institution of the capitalists; that all children on reaching the age of 3 months will be taken to a state cradle and women be relieved of further trouble; that desire to live together expressed before a registrar and to part in the same way are the only necessities of marriage and divorce; that there will be no restrictions on number of lovers on either side, frequency of marriage and divorce, etc.; that it is the duty and province of all members to go out amongst their fellow workers and teach them these truths and pursuade them to join in the revolution, which must come, and when it comes, all property will be divided among the members of the Workers' Party.

This central body is regarded by the representative Labor leaders in Canada and the United States as the most dangerous of all.

N. S. INDUSTRY IS IN THE HANDS OF A LABOR LEADER

General Suspension While Lewis Considers Case

RIGHT ABOUT FACE

Offer of the Company Puts the Onus for Situation on the Union and Public Opinion Has Changed

From Our Own Correspondent.

SYDNEY.—Is the entire commercial life and prosperity of a Canadian province at the mercy of a labor leader who has never even set foot within its borders? Are the entire coal and steel industries of Eastern Canada to be hung up for weeks awaiting the will and pleasure of a citizen of Indiana? Are the 600,000 people of Nova Scotia practically governed from Indianapolis instead of from Halifax? These are the questions being asked in the oldest province in the confederacy.

For the coal and steel industries are the backbone of "bluenose" commerce, and more than the backbone of provincial revenue—the greater part of which comes from royalties on coal production—and when they stop everything else starts to stop, and if they stay idle long enough everything else will eventually become idle too.

And all this is taking place right now evidently because John L. Lewis, an alien, is too busy with affairs nearer home to deal with such comparatively petty squabbles as are now convulsing District 26 U.M.W.

No Local Authority

Every prediction of THE FINANCIAL POST last week as to the outlook in Nova Scotia has since been fulfilled to the letter. Silby Barret and Robert Baxter have no real authority to conclude an agreement on their own responsibility and that fact has now become apparent to everybody. In fact the negotiators themselves have become so weary of the farce that they have adjourned for a week—ostensibly to mull over proposals and counter proposals of miners and operators, but really waiting for John L. Lewis to find time to deal with their case.

That Barret and Baxter are permitted to have no minds of their own on any matters of importance was brought out a day or so ago in connection with local press reports of the conference, which have been largely confined to speculation, as the meetings were conducted with great secrecy. Barrett first declared the newspaper reports all wrong and then next day issued a counter statement saying they were all right. The same thing occurred when a confer-

(Continued on page 13)

Camaguey Electric Sold to General Electric

From Our Own Correspondent.

MONTREAL. — Details of the transaction involving the sale of Camaguey Electric Company to the General Electric interests are completed, and the property is now in the control of the Electric Bond and Share Corporation, and under the management of the American and Foreign Power Company. These are General Electric companies, one being a holding company, and the other an operating and management company for the various General Electric utility interests.

Camaguey Electric serves the city of Camaguey, Cuba. Control has hitherto been vested witth Montreal interests associated with the Royal Securities Corporation.

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MANUFACTURERS IN WRONG WITH ALBERTA CABINET

Complain That They Are Being Over-borne With Taxes

AFFECTS LIVING COSTS

Alberta Federation of Labor Asking Compensation Legislation Which Will Increase the Costs of Production

From Our Own Correspondent.

CALGARY.—While the phrase "I've nothing to say" has now become the general expression of Premier Greenfield when his opinion is asked on any matter of importance, financial and other bodies in the province are by no means tongue-tied, and especially is this the case with the provincial branch of the Canadian Manufacturers' Association.

That body the other day told the premier and his cabinet that if the cost of manufactured wares in Alberta was to be lessened in any way, and the cost of living thus reduced for the general public, there must be no further burdens placed upon the manufacturers who made those goods. All this was in view of amendments to the Workmen's Compensation Act asked for by the Alberta Federation of Labor. It was pointed out that if those were sanctioned that they would not only increase living costs, but would discourage further investment in the province.

The government was told that the manufacturers of Alberta were already carrying as heavy a load as it was possible for them to bear and still do business, and to add any more to it would be a mistake from every point of view, for it would react against the laboring men themselves.

Detailed objection to the various clauses of the proposed legislation was given, showing that while on a few points the manufacturers see eye to eye with the labor people, they are opposed to almost the entire list of suggested amendments. To pass them would mean, according to an itemized review of all the sections and subsections. an additional cost of $343,700 per year, which the manufacturers of Alberta would have to bear.

Men's Clothing Union Sued as Soviet Aid

That the New York Joint Board of the Amalgamated Clothing Workers of America is an organization opposed to the fundamental principles of American government, that it favors a system of Sovietism, contributing regularly to the maintenance of the Russian Soviet government, and that its purpose is to destroy the existing industrial system and substitute therefor the rule of the worker, are allegations in a suit filed in the Court of Chancery at Trenton, N. J., to enjoin more than fifty of its members from interfering with or molesting employees of Joseph Hilton, Inc., clothing manufacturers of Rahway.

INDIANS AS FARMERS

REGINA.—The Indians of the three prairies provinces in 1923 season harvested the greatest crop in their history, according to the annual report of the superintendent of Indian affairs. In the three provinces the Indians harvested 638,561 bushels of wheat, 574,282 bushels of oats and 62,304 bushels of barley. The report shows they raised 58,264 bushels of potatoes and 10,000 bushels of other vegetables. They summerfallowed 20,000 acres of land; broke 6,808 acres; put up 57,000 tons of hay and 9,516 tons of green feed.

Freight Record Shows Broad Trade Activity

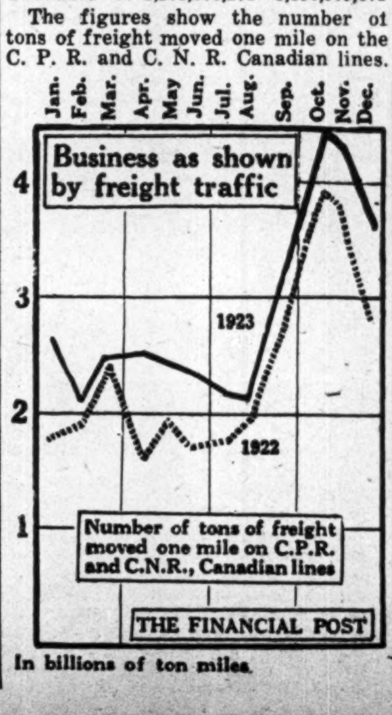
From Our Own Correspondent.

MONTREAL.—That the broad increase in business activity throughout 1923 is continuing is indicated by freight traffic records. for December. The slowing up of the grain movement brought freight movement in December below the November record but the volume of freight moved in December was, nevertheless, well over the figure for December, 1922.

According to THE FINANCIAL POST'S advance record, freight movements in December, compared with previous months as follows:

	1922	1923
September ..	2,726,228,604	3,197,654,110
October . ..	3,971,591,874	4,552,177,006
November ..	3,828,836,371	4,489,149,459
December ..	3,308,708,272	3,830,979,671

The figures show the number of tons of freight moved one mile on the C. P. R. and C. N. R. Canadian lines.



In billions of ton miles.

Business Men Strong for Home Use of Our Own Raw Materials

Canada's men of business success are now coming out strongly for the policy of manufacturing Canadian raw materials within Canada. During the past few days there have been pronouncements on this important subject by men of such varied interests as C. Howard Smith, president of the Canadian Manufacturers' Association, and a successful manufacturer himself; Sir Lomer Gouin, whose attitude seems to be a clear demarcation from the policies of the present Ottawa government; and Hon. James Lyons, Minister of Lands and Forests of the Province of Ontario.

After emphasizing that no nation can get rich exporting its raw materials to other countries to be manufactured into finished products, Mr. Smith declared that only by promoting manufacture of our raw materials at home could we provide a domestic market for the agricultural production of the country and thus insure prosperity not only for the farmer but for the business man as well. And only in this way could we give ourselves a favorable balance of trade, especially in our trade relations with the United States. Our exports to the United States consisted of our previous raw materials and our imports from the United States consisted almost entirely of highly finished products.

If Canada finds it impracticable to put an embargo upon the export of many of our raw materials, declared Mr. Smith, we should certainly use the presence of these materials here to bargain with the United States and other nations to have the goods made from these products given free access to other markets. "Anything less than that would be giving away our birthright," said Mr. Smith.

Mr. Smith was speaking to a gathering of paper manufacturers and he came out strongly for the embargo on pulpwood exports. He instanced asbestos as another raw material that we were exporting in such a way as to bring us but a very small revenue. We controlled the world's asbestos, 95% of the supplies being in this country, and yet last year the United States paid us $7,000,000 for raw asbestos that was made up into between $75,000,000 and $80,000,000 of fine asbestos articles in addition to many articles of a coarser nature.

Sir Lomer Gouin, in a notable address, reviewed the tremendous growth of the pulp and paper industry in Canada since Quebec and other provinces passed legislation forbidding the export of raw pulpwood from Crown lands. He said:

"In 1910 we inaugurated a policy in the province of Quebec by which we prohibited the exportation of pulpwood on Crown lands. The other provinces followed, and the result is the following: In 1910 there were three paper mills in Canada, all fighting for existence. They produced in the same year 700,000 tons of manufactured pulp and paper. In 1922, 3,500,000 tons were produced. In 1910 Canadian mills consumed 600,000 cords of pulpwood; in 1922, they consumed 3,000,000 cords.

This policy which has brought such very profitable results has contributed to produce equilibrium in financing; surpluses; subsidies to education; construction of roads, and helps to colonization and agriculture.

"We are told that one cord of pulpwood exported brings back to the cutter of the timber $6, and to our railways another $6, while the same cord of pulpwood manufactured in Canada brings to us $60. We read that in 1923 we exported 1,500,000 cords of pulpwood, valued at $13,500,000. If we had kept that pulpwood with us and manufactured it in our own mills, as we could, we would have received $67,000,000.

"The Dominion's increase in exports during 1923 was $130,000,000, of which pulp and wood products were $54,000,000. If we had manufactured in Canada this 1,500,000 cords of wood, instead of letting it go to the United States in raw condition, we would have added to that increase another $54,000,000, which we might have divided amongst our own lumber men."

Hon. James Lyons, Ontario's forestry minister, outlined the advantages that would accrue to Canada from keeping its raw materials, and particularly its wood pulp, at home for manufacture here.

We got $14,000,000 for the pulpwood we sold in the United States last year, he pointed out. If we had forced this to be manufactured in Canada it would have meant the investment of many more millions in industrial development here; it would have provided employment for thousands of people; it would have been responsible for the building of thousands of permanent homes; it would have supplied a market for agricultural products that could not now be sold by the farmers; it would have given the National Railways many additional tons of freight; it would have provided large revenues in sales tax, income tax of employees, business profits taxes and municipal taxes.

Frank J. D. Barnjum, the dauntless fighter for a pulpwood embargo, said last week that conditions were now such that he did not plead with any government to pass an embargo but he dared any government not to put an embargo into effect. When the best brains of the country are agreed on this one point, it seems that Mr. Barnjum has stated a reasonable proposition.

For many years THE FINANCIAL POST has advocated restrictive measures on the export of our raw materials, not necessarily embargoes, for embargoes are not always practicable. Public opinion is now swinging strongly behind this policy for it is being realized that Canadian industry can best be built up in this fashion, and that we are playing the role of gullible fools in selling our exclusive raw materials to nations that allow these raw materials to enter free but which put high tariff barriers up against the import of the same raw materials when made up into finished products in Canadian factories and by Canadian workmen.

St. Catharines Veterans on German Immigration

According to a report of a recent meeting of the G.W.V.A. of St. Catharines in the St. Catharines Standard, the veterans of that city declined to endorse the resolution of chamber of commerce of that city objecting to the proposed settlement in western Canada of 3,000 German farmers. A vote on the question was postponed for three months. The Standard says:

Several of the veterans present took the view that the problem was essentially that of Western Canada, where agricultural immigrants were a vital necessity, but deprecated any proposal that would place any such body of immigrants of foreign extraction in one colony. Their assimilation, it was felt by several, could be more adequately accomplished were they scattered throughout the West, instead of being settled in one district.

Stressing the need of immigration, especially of an agricultural nature, one of the speakers referred to the deficit of the Canadian National Railways, equal to a half of the present pensions bill of the Dominion, and urged that an aggressive campaign for suitable immigrants should be carried on in whatever quarters they could be secured. He, and others present, pointed to the agricultural districts of Ontario where German settlement was carried out before the war, and declared them to be among the most prosperous in the Province.

Two Ship Lines Announce Joint Canadian Service

From Our Own Correspondent.

MONTREAL.—The establishment of a Canadian service by the United American Lines, jointly with the Hamburg-American Line, is announced. This service will be inaugurated by the Cleveland, which will call at Halifax the first week of March on her way to New York from Hamburg, Southampton and Cherbourg. The Mount Clay, also of the United American Lines, and the Hansa of the Hamburg-American Line are the other liners entered in this service. The Cleveland, the Hansa and the Mount Clay are one class cabin ships, which have recently been reconditioned.

Because of the heavy losses sustained by United States shipping companies by the exhaustion of United States immigrant quotas of most European countries it has been necessary for some of them to make calls at Canadian ports. The German quota is nearly exhausted now.

HONEY FROM THE PRAIRIES

WINNIPEG. — Manitoba bee-keepers last year produced 3,041,712 pounds of honey, compared with 1,800,000 in 1922 and less than 1,000,000 pounds in 1921. The average production per hive was 155 pounds.

LECTURES ON MARKETING

With the co-operation of the C.M.A. and the Board of Trade, the Toronto Y.M.C.A. is arranging evening courses in marketing and business forecasting, with a course of twelve lectures. The lectures on marketing will be by Thomas Oakley, B.A., of the T. Eaton Co., and those on business forecasting, to be illustrated by charts and diagrams illustrating Canadian financial and industrial conditions as affected by the business cycle from the beginning of the present century, will be delivered by Professor H. Michell of the Department of Economics, McMaster University.

The lectures on marketing will cover an analysis of the commodities to be marketed, buying demand, manufactured goods, equalization of supply and demand, analysis of domestic and foreign markets, the aim and effect of price fixing, transportation problems, and the financing of mercantile transactions.

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Ottawa.—The treaty on trade between Italy and Canada came into force January 8, granting Italy most favored nation schedules of duty in imports into Canada. Duties will be the same as now applying to French goods.

Ottawa.—Automobile left by bequest not entitled to free entry as personal effects.

Horse clothing, wool or shoddy lined, not entitled to entry under tariff item 551, but dutiable under tariff item 567.

France.—A French decree removes the coefficient of increase, 2, on wheat, spelt, and maslin, (ground or unground), groats and grits, ships biscuits and bread. These reductions will be in effect until further orders, but not beyond August 1, 1924.

Argentina.—New schedules of duty in Argentina have gone into force, the general effect being to raise average duties about one-third.

Mexico.—The Mexican duty of 2.50 pesos per legal kilo applying to catalogues of foreign firms has been reduced as follows: Catalogues bound in cardboard, leather, or cloth, 0.50 peso per gross kilo, and unbound catalogues 0.25 peso per gross kilo.

Tunis.—Canadian goods upon importation into Tunis will, enjoy the lowest import duties accorded any foreign nation, and Tunisian goods imported into Canada will enjoy the rates of duty and the most-favored-nation treatment accorded French goods by this convention.

Gold Coast.—Effective Jan. 1, 1924, invoices of goods imported into the Gold Coast Colony, Nigeria, Sierra Leone, and Gambia need not be attested, but need only be signed and witnessed.

Netherlands.—Unsweetened condensed or dried (powdered) milk and buttermilk and buttermilk in air-tight containers of 5 kilos or more may be imported into the Netherlands duty free, according to resolution No. 27 of the Minister of Finance.

Germany.—The operation of the decree of Aug. 4, 1914, permitting the importation of frozen and refrigerated meat without import licenses, has been extended until Dec. 31, 1933.

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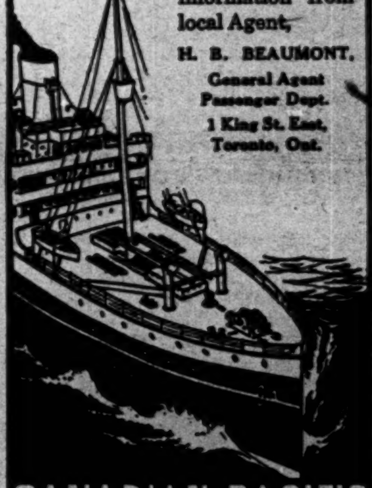

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The Grain Movement

OTTAWA.—Preliminary figures showing the receipts at the head of the lakes also Vancouver, B.C., for the period from September 1st, 1923, to January 18, 1924:

	Ft. William and Pt. Arthur	Vancouver B.C.
Wheat	227,728,076	17,072,471
Oats	24,661,491	122,031
Barley	9,797,678	....
Flax	3,379,440	....
Rye	4,042,118	121,817
Total	269,608,811	17,316,319
Same period 1923	232,140,097	8,717,306
Increase over last year	37,468,764	8,599,013

DROP PROVINCIAL BANK FOR SAKE OF GOVERNMENT

U. F. A. Finally Rallies to Call of President Wood

LITTLE FOR CAPITAL

No Suggestion to Government in Connection with Legislation Bearing on Borrowing in the Province

From Our Own Correspondent.

CALGARY.—The sixteenth annual convention of the United Farmers of Alberta proved one thing conclusively. That was, that, notwithstanding what dissension there may be within their ranks, the agrarians are willing to patch up internal differences in order to present a united front to the "enemy" in bolstering up the Farmer government they brought into being.

This was the cardinal note right throughout the convention and, although reactionaries from time to time expressed themselves freely in the various debates, when it came to the vote the majority of them rallied under the banner of President H. W. Wood.

As a test of strength the result of the convention can be taken as a victory for the "stand-patter" members of the United Farmers' movement. This was particularly instanced in the discussion on the formation of a provincial bank in Alberta. The government had definitely stated it would have nothing to do with the proposition, but notwithstanding this, there was a solid eight hours' debate on the question. The reactionaries returned to the attack again and again only to be met with relentless force by the president and his followers.

The actual point was this. If the resolution before the convention carried, or even a substitute motion sprang upon the convention at the last moment, it would have amounted to a vote of lack of confidence in the Greenfield government. At no time during the eight years he has been president of the U. F. A. has Mr. Wood been called upon to fight so stiff a battle. He characterized the provincial bank idea as a "noxious weed," and concluded an address which lasted for more than an hour with the words: "For God's sake don't run this thing blindly, headlong to the rocks of destruction."

In face of all this, those delegates who had come to fight the question of a provincial bank to a standstill and to demand that the government take action, were brought face to face with the reality that they were not merely wrecking their organization but the government also. And that thought, more particularly the latter, had the desired effect of swinging their vote.

Another phase which also undoubtedly influenced quite a number of farmers who were desirous of seeing various changes brought about in their organization, was the amount of criticism which has of late been levelled at the farmer government. This, too, had the effect of their falling into line with President Wood and sinking, for the time being at any rate, their internal differences.

It was somewhat amusing to notice how ultra-sensitive they were of that criticism, and to compare their attitude at former conventions when the Stewart government held sway.

That the U. F. A. will still retain its political aspirations was also abundantly made clear, although there was a long-drawn fight on the point, but eventually a resolution carried that the collection of political dues should be made at the same time as the ordinary membership fees were paid.

To and For Capital

The convention resolutely refused to offer any suggestion to the government in connection with legislation which prevented the free flow of capital into Alberta. This was prominently brought out in connection with the new Tax Recovery Act, which some of the delegates characterized as vicious. Although Rice-Sheppard, of Strathcona, one of the oldest members in the farmers' movement in Alberta, warned the convention to be careful of their action, as the U. F. A. only really represented one-seventh of the total voting strength of the farmers of the province, he and others were ruthlessly swept aside by the followers of Mr. Wood without pausing to consider that they themselves had most at stake in seeing that all obstacles impeding the flow of capital into Alberta were removed.

Saskatchewan Grain Growers Out of Politics

From Our Own Correspondent.

MOOSE JAW.—After an experience of two years, and on the recommendation of the Executive and Central Board, the Saskatchewan Grain Growers' Association has gone out of provincial politics. With six opposing, the annual convention here this afternoon adopted a resolution rescinding resolutions passed at the convention of 1922 by which the association declared itself in politics provincially and constituted a committee to assist constituencies in their local contests.

A resolution was to be introduced later for the formation outside of the association of a district organization for provincial political action.

NOVA SCOTIA POTATO CROP

HALIFAX.—The potato crop of Nova Scotia for 1923 has been estimated at approximately 90 per cent. of that of 1922, although the acreage was only 70 per cent. of that of last year. The quality this year was exceptionally good, with practically no decay. The estimated yield for Nova Scotia this year has been placed at 4,880,000 bushels.

Only One Per Cent. of British Harvesters Are Seeking Work

At the very most Canada failed to absorb but one per cent. of the British harvesters who were brought out late last summer to assist in garnering the west's heavy harvest.

Considerable publicity has been given to the fact that some of these men were in Toronto and without employment. Wild stories about their alleged plight are being published in England.

The fact is that when the organized movement to stress the claims of these men was first launched their total was 65 or 70. This is less than one-half of one per cent. of the total men brought out for the harvest. It was found that quite a number of them were mechanics. They did not want to go on the farms. Yet farm work was the only work that offered. They were told that they could get $15 a month and transportation to their destination. They would be given precedence over Canadians applying for jobs. As mechanics they said they did not want to sign up for a year's work at $15 a month. Ontario labor bureau officials declare this to be "poppy-cock." They were told they could go for a month's trial. Then if they and the farmer were suited they could make a mutual agreement. There were 30 or 40 men in the deputation that had this offer made to them. One accepted. As yet it is not known whether he went to the farmer or not.

In the meantime it is pointed out these men are being given free meals and bed while citizens of the country who are out of work are not getting such treatment.

The hue and cry that has been raised on behalf of these harvesters has focused attention on the fact that Canada has so well absorbed the other 99 per cent.

Sound Credit Methods Favored by the Saskatchewan Farmers

Listen to Arguments to Show That Provincial Banks Cannot be Formed Without Constitutional Change and Would Not Meet Needs in Any Event

From Our Own Correspondent.

SASKATOON—On the same day that the radical wing of the United Farmers of Alberta was threatening political ruin to the members of the Alberta Farmers' government who were opposed to a provincial bank, the delegates to the annual convention of the Saskatchewan Agricultural Societies were roundly applauding Professor Arthur Moxon, dean of the law school of the University of Saskatchewan, who had explained in a lucid and convincing address how no provincial bank could be established except by Dominion legislation which could not be enacted without first amending the British North America Act, and even if such banks were to be established how they could not possibly solve the question of long term credit in which the farmers were most vitally interested.

Criticisms of the Canadian banking system most frequently heard were reviewed in detail. The banks were often accused of being too autocatic, not sufficiently responsive to local needs, too big, too centralized, too much under the control of a few people, the customer too far away from the seat of power, and it was suggested as a corrective that we should have provincial banks in Canada, banks like the small state banks of the United States, or else provincial government banks.

Dean Moxon explained how legislation dealing with banking is entirely confined to the federal sphere; it was quite useless to discuss the question of provincial banks without considering the changes in federal legislation which would be required.

The Manitoba Experiment

Although the province of Manitoba had an institution known as a provincial bank which in three years had taken in about eight million dollars in deposits, this was not a bank in the accurate use of the term but merely a department of the provincial government authorized by the provincial government to accept short term loans from the people of the province. The deposits received were merely another provincial loan. There was an important difference between loaning money to the government of Manitoba and handing money over to the teller of a chartered bank, for the chartered bank was bound to pay the money out again on demand, while the provincial treasurer of Manitoba was not bound to this but could treat the deposits like any other loan, and the Manitoba institution could not transact any other business of a banking nature besides receiving deposits and as a matter of fact turned over most of the money received to the Rural Credit Societies.

Governments were entitled to get all the money they could at the cheapest posssible rate, and no doubt the Manitoba institution was doing useful serviceable work but it could not be properly described as a bank.

Big Banks Better

The old fight between the branch system of banks and the local institution was then reviewed. It would not be at all impossible to start small local chartered banks in Canada. There were many districts in Saskatchewan which could raise the half million dollars of capital required for starting a bank. There were many centres in Ontario where one community could easily raise the funds to start several of these banks, but banking history had shown that these local institutions could not loan money any cheaper or render any better service to the depositor than the larger banks. Leaving aside the unfortunate experiences of the past two years, a period of unusually severe financial strain, the record of the chartered banks of Canada was an exceedingly good one. The history of the small banks was certainly not very encouraging. They were much more subject to local stringencies and there was no question that the larger banks offered greater security when properly administered than the smaller institutions.

Dealing with the criticism that the head offices of the banks were too far away from the bulk of the customers, the speaker explained how necessary it was for these institutions to lay down a general policy and stick to it.

"We do not want to have anything to do with banks like the small state banks across the line," the speaker declared. "Some of the defects of our banking system can be ruled out by wise Dominion legislation, but more and smaller banks certainly do not point the way to the security which is indispensable in a banking system."

Mr. Moxon then explained how impossible it was for the banks to give the long credit which is required by the farmer. It was a joke to loan money to a farmer for three months for the purpose of assisting the farmer to take up diversified farming and buy livestock, for it would take years before this kind of a loan could be liquidated from the sale of livestock. To be sure, these loans were renewed and some bankers declared that the average term of repayment of a Western loan of three months was in reality three years, but the prudent man would hesitate before he borrowed money on a note which must be renewed every three months, for there was always the question whether the banker might not sometime take it into his head not to renew. The fundamental difficulty was that the short term kind of credit which the bank could give was not the kind which rural problems demanded.

Banks secured their money from three main sources—the money contributed by the shareholders, the deposits of the public and the notes which they have power to issue. The bulk of their funds were deposits from the general public. As the capital of a bank was largely demand capital, loans must be short term loans, for frozen loans are fatal to a bank. Our forefathers had more wisdom than we gave them credit for when they laid down the principle that long-term loans could not safely be made with short-term moneys.

Financing Trade

It should be remembered that the banking system was devised first of all by merchants primarily to assist in the movement of goods. We would be in imminent danger of economic ruin at any time if the banks ceased to perform this important function for which they were first established.

We took it as a matter of course that the banks should provide the money to move every year hundreds of millions of bushels of grain. We would be smothered with our own wheat were it not that our banks, as part of their regular business, saw to it that the funds were provided for moving the crop.

The deposits of the public were fulfilling one very important service in carrying on the general commerce of the country. No community could hope to be anything more than a community of peasants unless it had an active commercial life, and the banks were apparently giving fair service to the commerce of the country.

Well Served as to Loans

As far as loans on land were concerned, Mr. Moxon said that the West had received in land loans all the money that could reasonably be required, and no pioneer country had been so well served in this respect as Western Canada. The difficulty was that the money loaned on the security of the land had choked off further credit. One solution offered for supplying the farmer with a reasonable amount of credit on the security of his livestock took the form of joint community credit where joint responsibility was assumed for a loan, but in a new community people naturally hesitated before becoming guarantors for comparative strangers who were not tied to the land by bonds of tradition which were so strong in the older countries. We might as well admit the fact that we cannot finance ourselves at the present time. "The loans west of Fort William by the banks exceed their deposits. We haven't internal money to supply the credit that is required, and if our governments went outside to borrow this money, they would in all probability have to pay more for all the money they borrowed."

Suggests Way Out

The speaker's own solution for long-term credits, which he simply put forward as a tentative suggestion, was that the government should authorize loans made by private loan bodies something along the same basis as the Soldier Settlement Board loans to soldier settlers. That scheme appeared to have been eminently successful. While larger risks were assumed, the lenders were given actual charge of every asset, which meant that the land loan did not choke off all other credit.

"It appears to me an experiment well worth trying to give our private loan companies power to loan on all chattels like the Soldier Settlement Board and give them the remedies older countries provide for bringing defaulters up with a quick turn. Any company abusing its power could have these powers taken away. While the government could loan this money I believe that as far as possible we should endeavor to do these things ourselves and not appeal to the government for assistance until we had tried out this other and simpler way first. I believe that the people who are in the loaning business in Canada could have this additional legislative power given them by the government with proper government supervision, with benefit to our new agricultural provinces and without adding any fresh burdens to our present financial institutions or our federal or provincial governments."

FORD SLEDS IN THE NORTH

In northern parts of Ontario, Ford cars have been equipped with front runners with unusual success. In Chesley, Ontario, a Ford dealer reports that his Ford car-sled manipulates the deepest snow drifts with the greatest of dexterity. "Not only is the Ford efficient even when equipped with sleds, but it is great sport to drive and ride in one of these speedy gas sleds," says this dealer.

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Head Office MONTREAL

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Capital Paid up	$ 20,400,000.00
Reserve Fund	20,400,000.00
Undivided Profits	1,085,830.67
Notes in Circulation	31,029,200.74
Deposits	422,721,059.18
Due to other Banks	14,593,050.76
Bills Payable (Acceptances by London Branch)	3,383,452.51
Letters of Credit outstanding	23,294,820.22
	$536,778,414.06

ASSETS

Cash on Hand and in Banks	$113,024,348.14
Deposit in the Central Gold Reserves	12,000,000.00
Government and Municipal Securities	52,904,302.13
Railway and other Bonds, Debentures and Stocks	10,272,746.48
Call Loans in Canada	19,012,358.09
Call Loans elsewhere than in Canada	27,026,953.07
	$234,241,268.86
Loans and Discounts	262,642,236.69
Liabilities of Customers under Letters of Credit as per contra	23,294,820.22
Bank Premises	13,563,889.18
Real Estate other than Bank Premises	1,795,353.38
Mortgages on Real Estate sold by the Bank	406,855.75
Deposit with Dominion Government for Security of Note Circulation	1,020,000.00
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News and Views for Investors

OTTAWA POWER

Shares of Ottawa Power have been in demand during the past week. The first sales recorded were at 82, while the last sale, a block of 10 shares, resulted in a jump of 2¾ points.

TWIN CITIES

Some disappointment over the showing of Twin Cities was evidenced by the tendency of the stock, which dropped from 67½ to 64 on sales of 768 shares. The present price level is 5 points below the year's high.

PUBLIC UTILITIES

In the year 1921, a period of sudden and severe industrial depression, 495 manufacturing concerns failed with an aggregate of $233,000,000 liabilities; 45 national banks and 15 savings banks in the United States failed with liabilities of $28,000,000 and $4,250,000 respectively.

FORD OF CANADA

Ten shares of Ford of Canada sold on Tuesday of this week at 485. This is a new high mark for this issue, the former being 480 recorded in March last. The last sales were in December at 420 while the 1923 low was 400. It was recently announced that the company will this year increase its output of cars 56 per cent. over 1923. The order has also gone out that costs must be cut, which would indicate a better profit than last year. The present price of Ford cars is higher than it was at this time in 1923.

QUEBEC POWER

Arrangements were completed over the week end by the Quebec Power Co. to increase the quantity of horse power available for the operation of its street car service in this city, through new connections with the Shawinigan Water & Power Co. The installation of two new sub-stations, and also of a dynamo will be completed within a few weeks, so that the service, which has been irregular for some time, is expected to be greatly improved. The company is doing good business, there being an increase in the traffic over the same period last year. Six new street cars are to be placed in operation in the lower and upper town divisions in February.

CANADIAN SALT

In spite of very heavy competition, Canadian Salt plant was kept busy throughout the whole of last year, and the prospects look favorable. With the increased demand for liquid chlorine and other products of the chemical plant, the company has been obliged to make considerable additions in the way of a new finishing shed, doubling up of the liquid chlorine plant, which was only started one year ago.

This has necessitated increasing the line of tank cars and cylinders, and at the present time Canadian Salt has 35 class "V" tank cars in service, which they say will adequately take care of the Canadian trade for some time to come.

LONDON LOAN AND SAVINGS

Report of the London Loan and Savings Company of Canada shows that four quarterly dividends at the rate of 7 per cent. per annum aggregating $62,404 were paid, $10,000 added to reserve fund, bringing it to a total of $430,000, and a balance of $3,580 carried forward. The assets include mortgages to the amount of $2,335,047, Victory bonds valued at $50,339, stock loan and trust companies $654,704, and the aggregate assets were given as $3,213,077.

Liabilities to the public include debentures to the amount of $1,092,657, and interest on debentures $10,499, savings bank deposits $666,460. Deposits retained to pay maturing mortgages $102,348. The total of liabilities to the public were given as $1,872,356, and liabilities to shareholders $1,340,720.

CONSUMERS GAS

Reflecting its asured position as a distributor of 10 per cent. dividends, the stock of the Consumers Gas Co. has moved higher recently, with the general trend of the market, despite an agitation in the City Council for a reduction in gas rates. As explained elsewhere in this issue, the relations between the company and the city have been clearly defined by the courts, and the price of gas is subject to adjustment under the charter in accordance with earnings, having regard to the payment of the 10 per cent. dividend.

Although, because of unusually mild weather the consumption of gas this winter in Toronto will hardly show an increase over last year, there will be shown a considerable increase over two years ago. On the other hand, conditions as regards coal and other supplies have been more favorable than for some years so that the showing as regards profits is altogether satisfactory. This favorable situation as to earnings seems more likely to bring about a reduction in gas prices under the terms of the agreement than corporation baiting, which only tends to discourage investment in public utility enterprises.

MACKAY COMMON

MacKay issues are in demand. Heavy buying of the common has sent the market price up to 120. The annual meeting will be held next month and there has been some talk of the trustees coming forward with a proposal for more liberal dividends. It is difficult to comment on the position of outlook for the reason that very little information as to the company's position is allowed to get out to the public or shareholders.

TEXTILE COMPANIES

Discussing present and possible future conditions in the Canadian textile industry, R. Thompson, president of the Hamthorne Mills, Ltd., Carleton Place, Ont., says: "In our own factory we have managed to carry on, but unfortunately we have made no money although we have done considerably over half a million dollars worth of business during the past year. Owing to the tremendous rise in cotton there is naturally a turning to a greater usage of wool, so wool, which was high is now going higher. This makes it difficult for the Canadian manufacturer, since the past season has been wholly a price market for cloth, owing to the great influx of British and French cloth into the Canadian market. We have our lines shown in various foreign fields, but the volume is small. We are again trying to invade the United States market, notwithstanding the extreme duties. This can be done periodically with special lines not made by their own manufacturers. We are not too pessimistic regarding the future, provided one can get a fair deal from the government, and this we still hope for notwithstanding the bad treatment received from the minister of finance in his last two budgets."

Public Utility Earnings

TWIN CITY

4th Quar.—	1923	1922	Change
Gross	$3,369,251	$3,590,093	—06.15
Oper. exp.	2,282,093	2,478,364	—07.92
Net rev.	1,087,158	1,111,728	—02.21
Fxd. chgs. & taxes	668,846	591,036	+13.17
Net inc.	418,312	520,692	—19.66
12 months—			
Gross	13,580,047	13,841,888	—01.89
Oper. exp.	9,549,284	9,933,507	—03.87
Net. rev.	4,030,762	3,908,381	+03.13
Fxd. chgs. & taxes	2,460,694	2,343,179	+05.02
Net inc.	1,570,067	1,565,201	+00.31

CAPE BRETON ELECTRIC

November—	1923	1922	Increase
Gross	$ 64,984	$ 61,212	$ 3,772
Oper. ex. & tx.	48,338	46,495	1,843
Net	$ 16,645	$ 14,717	$ 1,928
Int. charges	5,611	5,529	81
Balance	$ 11,034	$ 9,187	$ 1,847
12 months to Nov. 30	1923	1922	Increase
Gross	$700,094	$625,024	$ 75,070
Oper. ex. & tx.	611,322	550,594	60,727
Net	$ 88,772	$ 74,429	$ 14,342
Int. charges	67,722	67,189	533
Balance	$ 21,049	$ 7,240	$ 13,808

SOUTHERN CANADA POWER

December—	1923	1922	Increase
Gross	$ 89,420	$ 78,392	$ 11,028
Oper. exp.	38,500	34,995	3,505
Net Earn.	$ 50,919	$ 43,397	$ 7,522
3 months ending Dec.—			
Gross	$257,332	$228,616	$ 28,716
Oper. exp.	115,521	101,911	13,610
Net earn.	$141,810	$126,704	$ 15,106

CANADIAN NATIONAL RAILWAYS

Week end.	1924	1923	Change
Jan. 21	$4,344,425	$4,006,426	+$337,999

CANADIAN PACIFIC RAILWAY

Week end.	1924	1923	Change
Jan. 21	$2,883,000	$2,831,000	+$ 52,000

WINNIPEG ELECTRIC RAILWAY

November—	1922	1923	Decrease
Gross	$ 483,278	$ 451,333	$31,945
Expenses	324,851	313,679	11,172
Net	158,427	137,654	20,773
Aggr. Gross 1st Jan., to end of Nov.	4,870,379	4,811,569	59,310
Aggr. Net 1st Jan., to end of Nov.	1,476,909	1,450,966	25,943

MARKET TENDENCY IS TO SLOW DOWN; TRADING SPOTTY

News Favoring Another Swing up Not in Sight—Watching U.S. Steel

BANKS ARE STRONG

Eight of Eleven Issues Now Selling Above Opening Bid of the Year

The market has been showing a tendency to slow down. Trading of late has been irregular and spotty. Profit taking is proving a factor. In the offing there does not seem any real favorable news that should bring about another upward swing. Some are of the opinion that the increased bonus of U.S. Steel has just come in time to arrest a break. Time will tell if this view is correct. Others are playing a hunch that the Steel bonus will not be the factor that it was last October. They point out that the present payment is on orders booked early last fall. It is not a true indication of conditions to-day.

The pulp and paper group had a good run on the Canadian exchanges during the week. Three of them recorded excellent advances. The Steel group was spotty, news of the individual concerns being the guiding factor. Milling shares were slightly reactionary while the utility group displayed decided strength. Tractions were neglected as were the textiles. A number of industrials were active at higher prices. But one decline was noticed in this group.

The figures:

Paper	9	5	2	2
Steel	8	3	1	4
Milling	7	2	2	3
Utilities	8	5	0	3
Tractions	11	1	3	7
Textiles	9	1	2	6
Industries	17	6	1	10
	69	23	11	35

Notable trading has been going on in bank shares, considering the banking situation at the present time. The table following gives the opening bid at the first of the year, the present bid and the sales recorded so far this year. This shows that eight stocks have recorded advances, one is unchanged while but two have had small declines. The total sales show that the buying has been heavy.

The figures:

Bank	1924 open Bid	Pres.	Sales
Commerce	184	186	664
Dominion	182	185¾	324
Hochelaga	144	150	586
Imperial	175	175	252
Molsons	155	153	314
Montreal	243	244	959
Nova Scotia	250	257½	428
Royal	212	214	587
Standard	167	165½	298
Toronto	176½	177	234
Union	105½	107	179

North American Surplus Reaches New High Mark

According to the 43rd annual report of the North American Life Assurance Company presented at the annual meeting this week, the policies issued and revived during 1923 amounted to $20,237,711, showing an increase of $2,306,384 over last year and making one of the most successful years in the company's history. The total business in force now amounts to $115,055,491, which is splendid increase over last year.

The size of the company's business may be judged from the fact that during 1923 it paid to policyholders and beneficiaries over $2,480,000. This amount included $497,766 paid as dividends to the company's policyholders, while, in contrast, it should be noted that only $6,000 was paid to the guarantors of the company as dividends. During his address to the policyholders at the annual meeting, L. Goldman, president and managing director, announced that the same liberal scale of dividends is to be continued during 1924, which, he states, is another indication of the fact that in this company the interests of the policyholders are paramount.

The president also pointed to the splendid increase in the assets during the year, bringing the total amount of these to $25,394,128. Of these assets, $5,623,304 is represented by Dominion and Provincial Government bonds, while municipal debentures, bonds and stocks amount to $9,647,070.

After all its liabilities have been fully provided for, the net surplus of the company amounts to $3,776,823.87, the largest figure in the company's history.

B. EMPIRE STEEL

Directors of British Empire Steel adjourned their meeting on Wednesday without an announcement, but will meet again. The main topic for consideration is believed to have been plans to bring about a stable labor situation. The report on past year's operations is expected to show preferred dividends earned with the balance taken up by depreciation. Gross earnings will be more than $1,000,000 above those of 1922, while a bank loan of approximately $1,300,000 will be partly offset by credit cash balances of about $700,000.

Dominion Guarantee Had Big Increases in 1923

Substantial increases in all departments of its business are reported by the Dominion of Canada Guarantee and Accident Insurance Company in its annual report for 1923.

The total income in 1923 from all sources was $1,394,880. Total assets now stand at $1,459,623. Investments in debentures and other securities, $1,174,480; reserves, $642,407; surplus to policyholders, $817,125.

UNLISTED SECURITIES

	Bid	Asked
Alta. Pac. Grain, com.	97	101
Alta. Pac. Grain, pref.	87	90
Collingwood Ship., com.	45	55
Can. Machinery, pref.	23	27
Can. Mortgage & Inv.	64	—
Can. Oil com.	39	42½
Can. Oil, 8%, pref.	91	92½
Can. Westinghouse	131	135
Capital Life, 20%, pref.	23	27
Cockshutt Plow, 7%, pref.	41	43
Continental Life	25	—
Cosgraves Breweries	—	5½
Commercial Finance, pref.	60	—
Crown Life	98	—
Dom. Power, pref.	96	98
Dom. Power, com.	38	40
Dom. Sewer Pipe, com.	24	28
Dunlop Tire, 7%, pref.	78	82
Durant Motors	7	—
English Elec., com.	9	10½
English Elec., pref.	48	50
Excelsior Life, 26% pref.	32	—
Famous Players, 50%, com.	71	74
Farmers Dairy	60	—
Great West Life	220	—
Gunns, Ltd., 7%, pref.	35	39
Hamilton Pantages, com.	2	—
Hamilton Pantages, pref.	43	—
Imperial Tobacco, com.	5	7
Int. Milling, pref.	—	95
K. & S. Tire, pref.	23	25
K. & S. Tire, com.	60	1.00
Canada Starch, pref.	—	54
La Paz Oil	—	15
Lambton Golf Club	425	4 75
Loew's Buffalo, pref.	50	53
Loew's Buffalo, com.	1	1½
Loew's Hamilton, pref.	40	—
Loew's London, pref.	6	7
Loew's London, com.	3½	4
Loew's Ottawa, pref.	20	24
Loew's Toronto, pref.	70	73
Loew's Toronto, com.	41	45
Manitoba Power, com.	19	21
Marconi Wireless	60	90
Massey-Harris	32	35
Manufacturers Life	55	58½
Mercantile Trust	100	—
Mtge. Disc. & Fin.	—	10
Monarch Life, 10%, pref.	11	13
Neilson, Wm., pref.	95	—
National Brick, pref.	57	59
National Brick, com.	12	—
North Mex. Power, com.	9	9
Ont. Equitable Life	18	22
Robt. Simpson 6%, pref.	88	90
Robertson, P. L.	15	25
Sterling Bank	88	90
Sun Life, 50%, pref.	173	—
Sun Life, 35%, pref.	130	—
Toronto Brick, com.	28	—
Toronto Brick, pref.	75	—
Toronto Carpet, com.	99	—
Trusts and Guarantee	69	71
Western Assurance	7	7½
Western Groceries, pref.	31	33
Willard's Chocolates, pref.	—	30
Famous Players, com.	7	—
Brit. Mortgage Loan	200	—

The Current Issue of

The Mining Review

which is now ready for distribution features an illuminating article on

"Mine Financing—a Business Proposition"

which throws a clear light on methods of mine financing from the point of view of shareholders.

The Review also contains our opinion of the following stocks which have been recently prominent in the market advance.

Keeley — McIntyre
Mining Corp. — Vipond
Lorr. Trout Lake — Goldale
Lakeside Lorr. — Newray
Vickers

Write for your copy to-day.

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EXPERIENCED Treasurer for fast growing town. Applicant must be fully capable of filling position and showing results. State age, education, experience, references and salary expected to

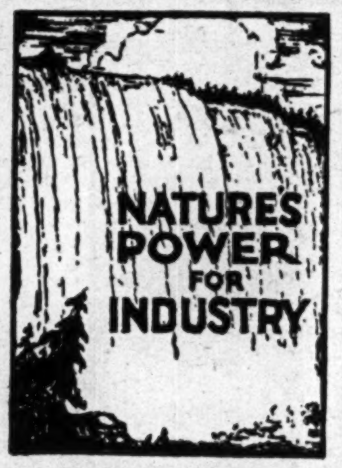
Box No. 7, The Financial Post, 153 University Ave., Toronto

THE B. C. SALMON PACK

VANCOUVER.—The British Columbia salmon pack, according to figures issued by the secretary of the B. C. Products Bureau of the Board of Trade, was 1,341,681 cases in 1923, or about 50,000 cases in excess of that of 1922. Unusually heavy runs in the north streams account for the larger pack, canneries in the north having been taxed to their capacity to take care of the fish.

ESSEX ISSUES REPORT

A by-law authorizing the mayor and city treasurer of St. Thomas to borrow $200,000 from the Imperial Bank for current expenditure until the taxes are collected, and to borrow a similar amount for frontage expenses under the Local Improvement By-law, was passed by the City Council.



NEW ISSUE

$3,250,000

Ottawa River Power Company
Limited

6½% First Mortgage Sinking Fund Gold Bonds

Series "A"

Dated December 1st, 1923. Due December 1st, 1953

Principal and semi-annual interest (June and December 1st) payable at the holder's option in Gold at any Branch of the Royal Bank of Canada, in Canada, or at the Agency of the Royal Bank of Canada in the city of New York, or in Sterling at the Royal Bank of Canada, London, England, at the fixed rate of $4.86 2/3 to £ sterling. Coupon bonds in interchangeable denominations of $1,000, $500, and $100 with privilege of registration as to Principal or as to Principal and interest. Redeemable as a whole or in part at the Company's option on any interest date on 60 days' notice at 105 and accrued interest.

TRUSTEE: Montreal Trust Company, Montreal.

CAPITALIZATION

	Authorized	Issued
First Mortgage 6½% Bonds due 1953 (this issue)	$15,000,000	$3,250,000
Common Stock—shares of no par value	30,000 shs.	30,000 shs.

(NOTE.—The Ottawa & Hull Power Co. Ltd. owns about 70% of the Common shares).

PROPERTIES: The Company owns in fee simple and is now developing a water power situated at Bryson, P.Q., with an ultimate capacity of over 67,500 h.p. The initial installation will be 22,500 h.p., and a contract for this development has been let to Messrs. Fraser, Brace Limited. Power will be developed under a head of 60 feet and it is anticipated that the plant will be completed by December 1st, 1924. A transmission line, 50 miles in length, connecting the plant with the territory to be served is completed.

SECURITY: In the opinion of counsel these bonds are secured by a first mortgage upon all the company's real and immovable properties now owned or hereafter acquired. This mortgage provides for the operation of a sinking fund which commencing in 1930 will retire a large portion of the issue by maturity.

TERRITORY: The Company's power will be distributed throughout the cities of Ottawa and Hull, and in the surrounding territory, serving a population of over 150,000; 35,000 of which are already power users. In this territory, which is one of the most important lumber and pulp centres in the Dominion, are located over 200 industries, being served by both transcontinental lines, the New York Central Railway and in addition has excellent water transportation facilities both to the Great Lakes and to the lower St. Lawrence River.

EARNINGS: Power will be sold under a 30-year contract to the Ottawa & Hull Power Company, which company supplies all the retail distributing Companies in the territory, and in addition several of the larger power users in Ottawa and Hull on terms which will ensure the operating and maintenance charges, and the bond interest and sinking fund requirements of this issue. Net revenue from the first installation is estimated at $320,000 or one and one-half times the interest charges on these bonds. The ultimate net earnings of the Company are estimated at $630,000.

The Company has just signed a contract with the Ottawa Electric Company, which Company is controlled by the Ottawa Light Heat & Power Company Limited, for a total of 17,000 h.p.

Prospectus giving particulars in full will be gladly forwarded upon request

PRICE: 100 and accrued interest to yield 6½% carrying a bonus of 2½ shares of common stock of no par value with each $1,000 Bond.

NESBITT, THOMSON & COMPANY
LIMITED

MONTREAL HAMILTON TORONTO WINNIPEG LONDON, ONT.

This advertisement appears as a matter of record only, as the issue has been entirely placed with investors.

The statements in this advertisement are not guaranteed, but are based on information which we believe reliable and on which we acted in purchasing these securities.

308

SOLUTION INSTEAD OF AGGRAVATION

If you have a building operation on your hands, you cannot afford to have the inefficiency of a second-rate building contractor on your mind. What you want is a contractor to solve the problem and not aggravate it.

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Building Construction

TELEPHONE "WARRANTS"

Bell Telephone new stock will be offered to shareholders at $100 per share, in the ratio of one new share for five old.

We should be glad to facilitate the completion of five-share units, by the purchase of shares or rights, so that holders may benefit by the attractive proportionate purchase at par.

We invite correspondence or personal calls.

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CANADIAN NATIONAL RAILWAY BONDS

FULLY REGISTERED DEBENTURES, maturing May 6th, 1930, at a price to return an increase in capital of

OVER **13%** SIMPLE INTEREST
Per Annum for Six Years

SECURED by a mortgage on property owned and operated by the GOVERNMENT OF THE DOMINION OF CANADA.

THE profit on this investment is accumulative until May 6th, 1930, and as such is NOT SUBJECT TO INCOME TAX.

Write for Particulars

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Established 36 years.

Future Issues of
Gibson's Fortnightly Mining Review

will comprise eight pages of carefully edited information dealing with the progress of mine development in Northern Ontario.

It will be of added value to every holder or prospective purchaser of mining shares.

The current issue contains information of interest concerning

Keeley Silver
McIntyre Porcupine
Lake Shore
Vipond Cons.
Kirkland Gold

and numerous others whose shares are active in the mining markets.

If your name is not now on our mailing list, write for your copy to-day. It will be mailed regularly without charge.

Homer L. Gibson
AND COMPANY,
Bank of Hamilton Bldg.,
TORONTO

DOMINION POWER

Earnings of Dominion Power were higher for the year just ended than for the year previous. The annual report is being prepared and will be sent to the shareholders as soon as possible so as to allow time for digesting it before the meeting in April. It is understood that the question of resumption of common dividends will come up at the annual meeting.

EXPECT UNION OF OTTAWA POWER CO.'S

Ottawa "Power" and Nesbitt, Thomson Companies May Effect Closer Financial Relations

MONTREAL.—Many people would not be surprised to see a linking up of the financial relations of the Ottawa and Hull Power Company, the Ottawa River Power Company, and the Ottawa Light, Heat and Power Company. The recent contract under which Ottawa River Power sold 17,500 h.p. of the energy to be developed at its Bryson development to the Ottawa Light, Heat and Power Company is believed to be but the initial step in a closer union of interests.

It is recalled that the Montreal Light, Heat and Power Company, which is chiefly a distributing organization, purchases about 85,000 h.p. of electrical energy from the Shawinigan Water and Power Company, and the Shawinigan Company in turn owns stock in Montreal "Power," ranking next to the Sun Life, and possibly one other shareholder, as the most important shareholder in the latter company. Ottawa Light, Heat and Power Company is a distributing organization chiefly, and it is anticipated that it may gradually pass into the control of the Ottawa River Power, of the Ottawa and Hull Power Company, or of interests controlling these two companies. The president of these companies is A. J. Nesbitt.

This would provide a strongly-entrenched power organization serving the cities of Ottawa and Hull and adjoining district, generating power, and distributing it to factories and homes.

At the annual meeting of Kitchener Clearing House Association, held recently, the following officers were elected for the year 1924: W. H. Collins, president; F. H. Boehmer, vice-president; Geo. B. McKay, secretary.

The Augustine Rotary Engine Co. in the Courts

BUFFALO.—Investigations into the affairs of the Augustine Automatic Rotary Engine Company and the Champion Rotary Motors Company may be opened before federal grand juries, according to Thomas Penney Jr., assistant federal attorney. The better business association is reported to have made complaints against the companies.

Indictments charging use of the mails to defraud will be sought, Penney announced. A lien against the property of the Augustine Company, 1934 Elmwood Avenue, was filed recently in Federal court by the collector of internal revenue. Benjamin F. Augustine is company president.

Sales Tax as Applied to Dealers in Lumber

Manufacturers of lumber and wholesale or retail lumber dealers must obtain a sales tax license and make a monthly return of sales of lumber to non-licensees, according to an order issued by the Department of Customs. The order says that "the tax shall be computed on not less than 50 per cent. of their selling price to such purchaser" at the rate of 6 per cent.

Retail lumber dealers who do not manufacture lumber or who do not sell lumber to other dealers or manufacturers, need not take out a sales tax license.

GYPSUM MINING IN N. S.

HALIFAX.—Nova Scotia's chief mineral industry, other than coal, is gypsum mining. The amount quarried last year was over 300,000 tons, compared with 256,000 tons in 1922. It is evident that gypsum mining is destined to occupy an increasingly important position in the future. Preparations are now under way to increase production in many parts of the province and a larger percentage of the material will be manufactured than formerly.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING JANUARY 29

Banks—	Div. Rate	Yield Jan. 28	High For week	Low For week	Close Jan. 29	Close Jan. 22	Sales For week	Range High	1924 Low
Commerce (New)	....	....	186	185	186	183	6	186	183
Commerce	12+1	6.94	187½	185½	185½	187	248	188	184
Dominion	12+1	7.06	185¾	183	185¾	182	48	185¾	181
Hochelaga	10	6.66	150	150	150	150	4	150½	143½
Imperial	12	6.89	175	173½	175	174¾	39	179	173
Molsons	12	7.84	153½	153	153	154	44	159½	153
Montreal	12+2	5.77	244	240	244	240	269	248	239
Nova Scotia	16	6.36	251½	250	251½	249½	121	251½	248
Royal	12+2	6.54	214½	213½	214	213½	221	214½	211
Standard	12	7.25	165½	165½	165½	165	67	168	165
Toronto	12	6.77	177	175¾	177	177	23	177	175¾
Union	8	7.47	107	106	107	106	71	107	105
Paper—									
Abitibi, com. (no par value)	4	5.93	67½	63½	67	63½	9225	67½	62½
Brompton Pulp (no par value)	....	....	40½	39	40¼	40	2912	42¼	39
Laurentide	6	6.29	98	93¾	93¾	97¾	6868	98½	89¼
Price Bros.	2	4.66	44½	42	44½	42	710	44½	40¼
Smith, Howard, com.	6	9.16	65½	62½	65½	65½	706	68	62½
Spanish River, com.	7	6.48	108	101½	108	101½	13047	108	99¾
Do. pref.	7	6.19	113½	108	113	108½	6039	113½	105½
St. Maurice Paper	6+5	9.63	112½	108	108	111½	1820	113½	105
Wayagamack	....	....	43	43	43	45	130	46	43
Steel and Steel Industries—									
B. E. Steel, com.	....	....	4½	4	4½	4	186	4½	3½
Do. 1st pref.	7	13.00	54½	53	53	54½	126	56¾	53
Do. 2nd pref.	....	....	13½	13	13	13½	606	16	13
Can. Car and Foundry, com.	....	....	43	41	41½	40	910	43	36½
Do. pref.	3½	7.82	89½	87	89	87	1595	89½	84½
Can. Foundries, com.	....	....	20	19½	20	..	15	20	19½
Do. pref.	....	....	45	45	45	....	25	45	45
Dominion Coal	7	8.81	79½	79½	79½	80	5	81	79½
Dominion Iron, pref.	7	12.96	54½	54	54	55	30	56	54
Dominion Bridge	4	5.55	72	68	72	68½	390	72	65
Dom. Steel Corp., pref.	6	8.27	72¾	72½	72½	73	55	73	71¾
Ontario Steel, com.	4	8.78	45½	45	45½	45	1.00	45½	43½
Do. pref.	7	7.69	91	91	91	....	15	91	91
Steel of Canada, com.	7	8.97	79	75	77	75½	5441	79	75
Do. pref.	7	6.86	102½	101½	102	102	72	102½	100
Milling—									
Canada Bread, com.	....	....	74¾	71	73½	71	362	74¾	66
Canada Bread, pref.	7	7.21	97	97	97	97	66	97	95
Lake of Woods, com.	12	6.77	177	175	177	170	190	177	167
Maple Leaf, com.	....	....	68	65	66	62½	180	68	60
Maple Leaf, pref.	7	7.60	92	91	92	91	40	92	87
Ogilvie Flour, com.	12	3.87	320	310	310	315	28	320	310
St. Law. Flour, com.	6	8.40	72½	68½	72½	70	265	73	68½
West. Can. Flour	8	7.84	102	102	102	105	5	105	102
Utilities—									
Bell Telephone-Rights	....	....	4½	4	4½	4½	2770	4½	3½
Bell Telephone	8	6.15	130	128½	130	128¾	1084	130½	125
Consumers Gas	10	6.06	165	164	165	162	79	165	159½
Kaministiquia	8	7.14	112½	112	112½	112½	152	113½	112
Mackay, com.	7	6.06	116	114½	116	114½	886	116½	110½
Mackay, pref.	4	5.79	68¾	68½	68¾	67	475	68¾	66
Montreal, L. H. & Pr. Cons.	6	3.89	155¾	147½	155¾	147½	10800	155¾	140½
Montreal Telegraph	8	7.69	52	52	52	52	219	52½	52
Ottawa, L. H. & Pr.	6	7.31	85	82	85	82½	45	85	81
Quebec Power, com.	....	....	72	68	72	68½	570	72	65½
Quebec Power, pref.	7	7.77	90	90	90	91	10	91	90
Shawinigan	7	5.38	132	126	132	126	4169	132	118½
Transportation—									
Canadian Pacific Rly.	10	6.49	154	150½	153	151½	571	155	149½
Canada Steamships, com.	....	....	13	13	13	13	120	14½	12
Canada Steamships, pref.	....	....	44	43	43½	43	215	46	42
Tractions—									
Barcelona	....	....	15	14	14½	15	58	16	14
Brazilian	4	8.50	47½	46	46¾	46	6078	48½	41½
Detroit Un. Rly.	6	8.45	71½	70	71½	70	351	72½	70
Duluth-Superior	....	....	34½	34½	34½	35	15	35	33
Illinois Traction, com.	$2.00	3.06	65½	65	65½	61½	1118	65½	60
Illinois Traction, pref.	6	6.52	91¾	89	91	88	105	91¾	87
Ottawa Traction	4+1	8.33	60	60	60	....	345	60	60
Porto Rico Rlys, com.	....	....	25	22½	25	24	120	25	18
Porto Rico Rlys, pref.	7	10.07	69½	69	69½	67½	35	69½	66
Quebec Rly.	....	....	17	17	17	14½	145	17	14½
Toronto Railway	....	....	81½	80	81	81½	635	83¾	80
Twin City, com.	6	9.37	67¾	63¾	63½	67½	768	69	63¾
Winnipeg Elec., com.	....	....	28¾	28	28¾	28½	313	30	27¾
Winnipeg Elec., pref.	7	8.33	84	83¾	84½	84½	60	85	83¾
Textiles—									
Can. Conn. Cotton, pref.	8	10.12	80	79½	79½	80	39	80	79
Can. Converters	7	8.00	88	87½	88	88½	75	90	82
Can. Cottons, com.	8	7.47	108½	107	107	109	130	111	107
Can. Cottons, pref.	6	6.70	89½	89	89½	91	77	91	89
Dom. Textile, com.	$4.00	6.30	63½	62½	63	63½	687	66	62½
Dom. Textile, pref.	7	6.51	107½	107	107½	107	30	109½	106½
Monarch Knitting, pref.	7	8.53	82	82	82	82	5	82	80
Montreal Cotton, pref.	7	6.63	105½	105½	105½	105½	5	105½	104
Penmans, com.	8	4.86	164½	151	161	152	3832	164½	150
Wabasso Cotton	$4.00	5.67	70½	70	70	70	64	71	66
General Industrials—									
American Salesbook, com.	$4.00	8.68	46	45	46	44½	50	46	44½
American Salesbook, pref.	7	7.60	92½	92	92	93	10	95	91
Asbestos, com.	....	....	30	29	29	30	15	33½	25½
Asbestos, pref.	6	10.00	60	60	60	59¾	116	62	57
Atlantic Sugar, com.	....	....	20	18	20	17½	1210	20	16
Atlantic Sugar, pref.	....	....	43	39	43	39½	1935	43	39
Bird & Son, pref.	7	7.86	89	89	89	89	10	89	88½
Burt, F. N., com.	10	7.24	137¾	136½	137¾	136¾	130	137¾	134
Canada Cement, com.	6	6.89	86¾	85	86	84½	892	86¾	84½
Canada Cement, pref.	7	6.70	104½	104	104½	104½	291	105	103
Can. Gen. Electric, com.	6	5.12	117	115¾	117	115	78	117	115
Canadian Salt	8	7.27	110	109	110	109	283	110	109
City Dairy, com.	10	5.88	170	168	170	166½	40	170	163
City Dairy, pref.	7	6.66	105	104	105	105	26	105	104
Cuban Can. Sugar, com.	....	....	8½	7	8½	6	557	8½	6
Cuban Can. Sugar, pref.	....	....	41	39	41	40	315	41	33½
Dom. Canners, com.	....	....	31½	30	31	32	90	32½	20½
Dom. Canners, pref.	7	7.86	90	89	90	85½	75	90	82
Dominion Glass, com.	7	6.66	104¾	103¾	104½	103½	1146	107¾	102½
Dominion Stores, com.	$1.00	....	29	28¾	29	28¾	150	29	26½
Dominion Stores, pref. (a)	8	9.41	86	84	86	84	130	86	81
Eastern Theatres, pref.	7	10.00	70	68	68	67	3	70	67
Ford Motor	10	....	485	485	485	....	10	485	485
Goodyear Tire, pref.	7	8.86	80	79	79	80	63	81½	79
Lyall Construction	....	....	14	13	14	16	114	16	13
Macdonald, A.	....	....	5	5	5	5	25	5	4½
National Breweries, com.	$4.00	7.14	56	53½	55¾	55	3573	56	53½
National Breweries, pref.	7	7.29	95½	95¾	95½	95	110	95½	95
Pacific Burt, com.	6	6.12	98	98	98	100	25	100	98
Pacific Burt, pref.	7	6.60	105½	105½	105½	106	42	106	102
Rogers, Wm. A., com.	....	....	70	62	62	55	134	70	45
Rogers, Wm. A., pref.	7	7.60	92½	91	92½	88	17	92½	86
Russell Motor, com.	....	....	17½	17½	17½	18	10	18	17½
Russell Motor, pref.	7	14.58	48	48	48	48	10	50	48
Sterling Coal	4	9.40	42½	42	42½	42	90	43	41
Sherwin Williams, pref.	7	6.86	102½	102	102	102	32	102½	102
Tuckett Tobacco, com.	4	6.78	59½	59	59	58	30	59½	57
Tuckett Tobacco, pref.	7	7.36	95	94	95	94	51	95	92½
Woods Manufacturing, com.	....	....	30	29	29	....	27	30	29
Trust and Loan—									
Canada Landed	10+1	6.46	86	86	86	86	27	86	85
Can. Permanent	12	6.55	185½	183	185½	182½	19	185½	182

NORTH AMERICAN LIFE ASSURANCE CO.

HEAD OFFICE - - TORONTO, CANADA.

THE results achieved by the North American Life Assurance Company during 1923 continue to establish beyond question the strength and security of the Company. The following outstanding figures will be very gratifying to all interested in the welfare of the Company:

POLICIES ISSUED AND REVIVED	$ 20,237,711.00
AMOUNT OF INSURANCE IN FORCE	115,055,491.00
ASSETS	25,394,128.18
PAYMENTS TO POLICYHOLDERS	2,480,510.16
NET SURPLUS	3,776,823.87

THESE records are the outward evidence of the unexcelled financial position attained by the Company, and of the solid foundation upon which it has been built. In the North American Life, policyholders' interests are paramount, over 99% of the profits earned being allotted to them. When contemplating new insurance, see one of our representatives. If you desire fuller information about the Company's operations during 1923, mail the attached coupon.

"Solid as the Continent"

Agencies in all Important Cities in Canada

L. GOLDMAN, President.
W. KERR GEORGE, D. McCRAE, COL., Vice-Presidents.

Please mail me your complete Report for 1923, also "Solid as the Continent" Booklet.

Name ....
Address ....
Age ....

Toronto Finance Has Improved Its Position

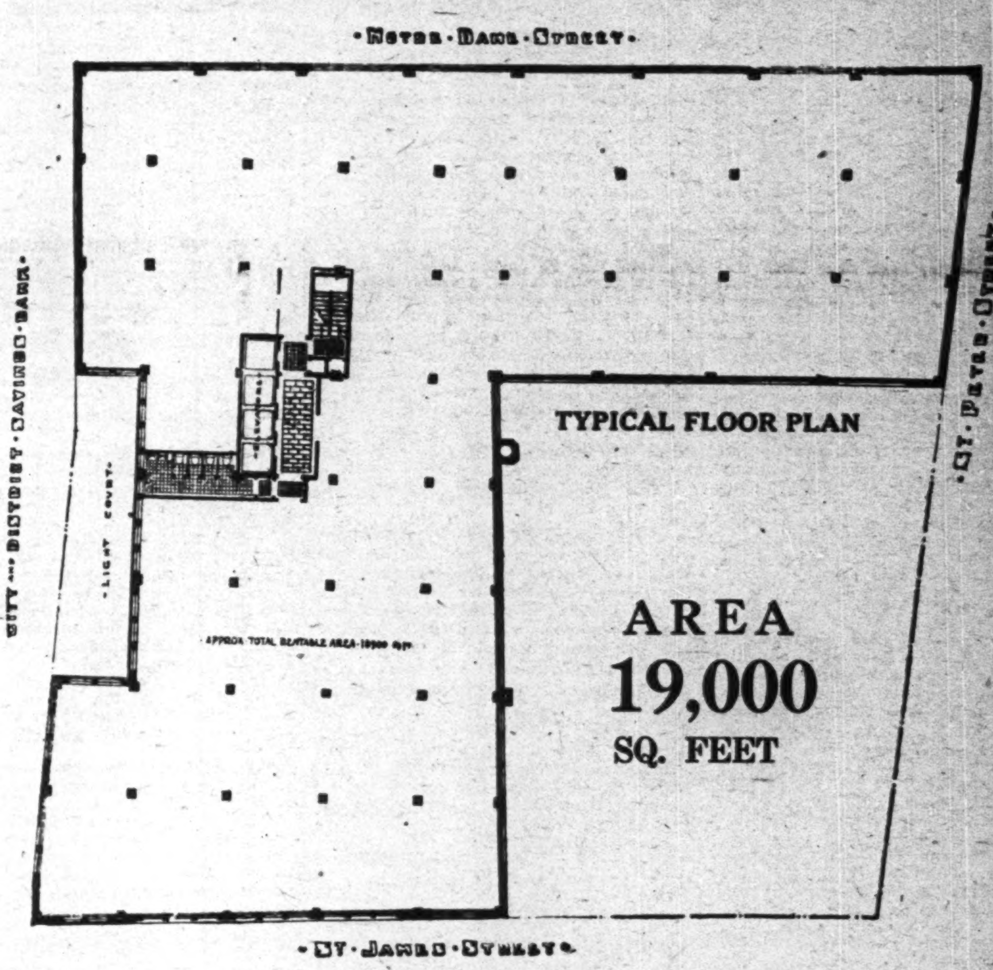
The profit of Toronto Finance Corp., after meeting all operating costs and providing for taxes, was $33,446. The figures for 1922 were $23,149.

The figures:

	1922	1923
Bal. fwd.	$ 3,455	$ 2,731
Net profit	16,240	33,446
Less—		
Div.	16,964	26,348
Reserve	......	5,000
To surplus	$ 2,731	$ 4,793

Mortgages receivable stand at $462,752 and payable $3,913. Deferred profits are $76,165 compared with $59,474 last year. Gross revenue totalled $57,507.

INSURANCE EXCHANGE BUILDING



"The Financial Heart of Montreal"

A Building nobly wrought to adorn the City and serve its business.

A Building whose name is synonymous for all that is finest and best in office building construction.

A Building that meets the requirements of Corporations demanding the last word in service, and space with the maximum of unobstructed natural light and economical interior division.

A Building catering to tenants who demand that their business home possesses dignity, character, and prestige of location.

Offices ($1,000.00) per year and up, according to location and area.

Secure your space now, so that your particular layout may be made while the building is under construction.

Any layout you require is possible.
Ready for occupation, May 1st, 1924.
Ask us to send you a booklet.
Office on the premises—Ground Floor.

INSURANCE EXCHANGE CORPORATION
LIMITED

Telephone Main 4302 MONTREAL 190 St. James Street

Pulp and Paper Securities

IN TWO YEARS OUR NEWSPRINT OUTPUT INCREASED 56%

While Production of American Mills Has Fallen Below 1920 Total

From Our Own Correspondent.

MONTREAL.—Canada's production of newsprint paper was 1,263,000 tons in 1923, as compared with 1,082,000 tons in 1922. The 1923 figure was just 56 per cent. greater than the production of 1921, indicating the rapid advance due to the installation of many new machines in Canada for the manufacture of newsprint.

While Canadian newsprint production is going ahead rapidly, production in the United States is remaining almost stationary, the 1923 production being 1,485,000 tons, as against only 1,448,000 tons in 1922. Over a term of years, Canadian and United States production have compared as follows:

	United States Tons	Canada Tons
1913	1,305,000	350,000
1914	1,313,000	415,000
1915	1,239,000	489,000
1916	1,315,000	608,000
1917	1,359,000	686,000
1918	1,260,000	735,000
1919	1,375,000	803,000
1920	1,512,000	876,000
1921	1,225,000	808,000
1922	1,448,000	1,082,000
1923	1,485,000	1,263,000

A further record of present production in newsprint is given by Royal S. Kellogg, secretary of the Newsprint Service Bureau. Mr. Kellogg says:

"In addition to these totals for the United States and Canada, 64,000 tons of news print was produced in Newfoundland and 12,000 tons in the one mill in Mexico which makes news print, thus giving a production of 2,824,000 tons for the North American Continent or two-thirds of all the news print paper produced in the world.

"In addition to this record-breaking production, with over 80 per cent. of Canada's news print marketed in the United States, some 200,000 tons of Scandinavian, German and Finnish news print paper was sent to the publishers in Uncle Sam's domain in 1923, compared with 133,000 tons in 1922 and 135,000 tons in 1921.

"As the production figures suggest, the consumption of news print paper in the United States reached a new high record in 1923. In round numbers it was 15 per cent. more than in 1922 and 28 per cent. more in 1920.

"Adding imports to domestic production and deducting the small amount of exports, there was 50 lbs. per capita of news print paper available for consumption in the United States in 1923, compared with 15 lbs. in 1900. This increase of 230 per cent. in per capita consumption in 23 years, explains why the United States uses more news print paper than all the other countries of the world combined.

"Advertising as usual was an important factor in determining the quantity of news print used in 1923, but influential also were the large sizes of the daily and Sunday issues and the growth in circulation. There are some 60 newspapers in the United States, each having a circulation in excess of 100,000 copies. During 1923 these dailies averaged 27 pages and the Sunday issues 101 pages—sizes never before attained.

"There are more than 22,000 newspapers in the United States and Canada, of which some 18,000 are monthlies and country weeklies, while the circulation of the 2,000-odd English language dailies is approximately 31,000,000 for the week-day issues and 21,000,000 for the Sunday issues. A well-known newspaper has increased in circulation from 93,000 copies to 584,000 copies of its daily issues since 1903, and from 196,000 copies to 932,000 copies for the Sunday issues in the past 20 years, and this is by no means an isolated example of newspaper growth. There is now a copy of a daily paper published for every family in the United States and Canada. The daily newspaper habit is well-nigh universal north of the Rio Grande."

Canadian Paperboard Redeems $30,000 of Bonds

From Our Own Correspondent.

MONTREAL. — Canadian Paperboard Company has redeemed $30,000 of its first mortgage bonds. This is in accordance with the trust deed which provides for the redemption of $30,000 of bonds on the first of February in each year. The authorized amount of the issue was $800,000 and about half a million of the bonds have been placed during the past year.

Canadian Paperboard has had a fairly good year and looks forward to presenting a good report covering the fiscal year which will end June 30 next. Export markets are now being sought and it is anticipated that good trade connections can be established in Great Britain. As D. F. Robertson, the head of this company, is chairman of the paperboard section of the paper makers, his comments in his annual report to the Canadian Pulp and Paper Association last week should be of interest to holders of Canadian Paperboard bonds. Mr. Robertson stated that "the past year has been fairly satisfactory to the members of the board section. While there has been no pronounced activity in business generally, there was a steady demand throughout the year and the mills reported an increase in production and shipments over the previous year. . . . A further increase in the export demand is much to be desired since in common with other branches of the industry our production is greater than the domestic market can absorb, and we must rely upon other markets to a considerable extent unless production is to be curtailed."

PROBLEMS AHEAD OF PAPER MERGER RELATING TO MEN

Discussion Continued Again This Week on Big Union

From Our Own Correspondent.

MONTREAL.—It becomes apparent that the personal element will enter very largely into any further negotiations for a merger of the newsprint producing companies in the St. Maurice Valley. With Laurentide the "top dog" in the projected merger, there would be a number of executive heads of the other companies who would find themselves in subsidiary positions if the deal goes through. A good deal of money could be saved in management costs by a merger. Of that there is no doubt, but in the process of saving money there would be numerous reductions in personnel, and these reductions would have to begin at the top. This has created much influential opposition to the deal.

This week saw a continuation of discussions, the scene of deliberations having shifted from Montreal to New York.

Big Bond Issue

It is anticipated that should the further conferences between the heads of the various companies have the effect of bringing the negotiations still nearer to a close that an issue of about $30,000,000 of bonds will be made. The National City Company, which has been conducting the negotiations looking to the merger would likely head the syndicate, offering the bond issue and other Canadian bond houses that have participated in the financing of some of the companies in the group, and which have been instrumental in helping to swing their companies into line, would be asked to share in the underwriting of the issue. Most of the money, however, would be raised in New York.

It is not anticipated that the Belgo bonds would be paid off, as this would add greatly to the expense of the merger. But sufficient of the new bonds would probably be set aside to redeem the Belgo bonds, and the new issue could be put out as a first and refunding mortgage issue.

Chahoon to be President

It seems likely that George Chahoon, president of the Laurentide Company, will be head of the new merger, although there has been a difference of opinion regarding the distribution of important posts. M. B. Wallace, president of the St. Maurice Company, and who is also head of the Union Bag and Paper Corporation of New York, and Hubert Biermans, president and managing director of the Belgo-Canadian Company, would likely be vice-presidents, and other directors would be Charles R. Hosmer, Sir Vincent Meredith, F. A. Sabbaton, George H. Montgomery, Sir Herbert Holt, Sir Lomer Gouin, J. K. L. Ross, J. W. Ross, and Noah H. Timmins. All of these men are largely interested in one or more of the companies mentioned for the merger.

Some doubt exists as to the fate of the Laurentide Power Company, which is largely in the ownership of the Laurentide Paper Company. This is essentially a liquid asset of the highest order, for if it were decided not to retain it as an important source of power for the enterprises there are many interests who would be glad of an opportunity to purchase it. In case it were sold, the Shawinigan Company, which already holds a substantial stock interest in it, and which purchases all the power that it produces and does not sell to the Laurentide Company, would be the logical purchaser.

Deal Long Pending

This merger, if it goes through, will bring to completion a deal that has been in process of negotiation along one line or another for some years past. The benefits to be derived from a union of interests of the companies in the St. Maurice Valley of Quebec province have long been apparent. One of the men active in the present negotiations told THE FINANCIAL POST that about one million dollars a year could be saved in management costs, in woods operations, in log-sorting, and in similar ways. There would also be the advantage of giving the company an important influence in the question of marketing its products. Practically all of the newsprint produced would be sold in the United States.

See a Rosy Future

On the question of future markets for newsprint, a great deal of confidence is displayed by those behind the proposed merger. One of these active workers stated that the question of future production and consumption of newsprint had been gone into very thoroughly, and that all of the parties interested were enthusiastic as to the outlook. Periodical setbacks in consumption were expected, and the possibility of newsprint production on the continent overtaking newsprint consumption had also to been discounted. But, looking ahead five or ten years, the future was believed to be excellent.

Here, in brief, are told some of the important facts about the companies mentioned for the merger:

The Laurentide Company. This company will be the big brother of the merger. It was founded at about the beginning of the present century by Sir Wiliam Van Horne and an American financier. Its daily production of newsprint is 375 tons; it has total assets of over $35,000,000 and its only outstanding security is $28,800,000 of common stock. Its plant is at Grande Mere, P.Q., where it has created its own model city. Its forestry reserves are important, but not too large for a company the size of Laurentide. Laurentide's biggest benefit from the merger would be the enhancement of its timber resources through the acquisition of the unexploited limits of the other companies.

Belgo-Canadian Paper Company. — Founded in 1901 by Belgian capitalists, this company has been brought to its present position of success and power by the present executive head, Hubert Biermans. Recently control was brought to Canada and new financing arranged by a syndicate headed by Wood, Gundy and Co. Its daily production is about 345 tons of newsprint, two new machines having recently been installed. It has total assets of over $21,000,000 and its outstanding securities are as follows:

6% Bonds	$8,000,000
7% Preferred stock	4,000,000
Common stock	8,500,000

The St. Maurice Paper Company. This organization is the Canadian subsidiary of the Union Bag and Paper Corporation of New York. It has a daily production of 115 tons of newsprint paper and recently decided to build two new paper machines to use up its surplus production of sulphite and groundwood pulps. Its only outstanding security is $9,874,000 of common stock.

The St. Lawrence Paper Mills. This concern was formed a couple of years ago by Noah H. Timmins and his associates of the Hollinger Gold Mines to succeed the Three Rivers Pulp Company. It has two newsprint machines running, turning out 160 tons of paper daily. It has issued $1,500,000 of preferred shares and $40,000 shares of common stock, but a bond issue of $2,500,000 which has been authorized has not yet been issued.

DRYDEN PAPER CO. NEEDS MORE MONEY

Working Capital Absorbed by Operating Deficits—Directors Are Hopeful

From Our Own Correspondent.

MONTREAL.—Directors of Dryden Paper Company, which went into liquidation in the fall as a result of its inability to meet the prices of European manufacturers who were dumping paper on this continent, are hopeful of success for their enterprise. They report another further loss of $233,988 during the year ended Sept. 30 last, which meant that in three years operating losses have absorbed $780,745 of working capital, leaving the company badly in need of further financing.

The directors base their hope of improvement in the company's affairs on either an improvement in business in Europe, which would provide a home market for European paper manufacturers and make it unnecessary for them to sell on this side of the water at slaughter prices, or upon free entry of Canadian finished paper into the United States in exchange for no embargo on pulpwood.

The president, W. A. Black, reports in the 1923 annual statement just issued:

"The losses this year were again heavy, and while the results for the past two months have shown an improvement, the outlook for this branch of the industry is not yet clear.

"The new paper machine has at last been put into successful operation, and there is some hope for help from this source.

"Since the present company took over the property, $2,250,000 new money has been put into the business, of which some $1,600,000 has been spent in betterments and additions, so that the surplus of assets over liabilities is represented by $5,051,706.65, being the value of 100,000 no par value shares of the company.

"Three years of continued losses has absorbed $780,744.51 of its working capital, leaving it unable to continue without further financing, which with such an unfortunate record, it is impossible at present to do.

"Some idea of the change in conditions since the present company took hold may be readily realized from the following:

"In October, 1920, the average value of the four main products of the company was $160 per ton. In September of this year, the price had declined to about $88, a difference of $72 per ton. The cost of production during the same period was about $6 per ton less, making a net difference of $66 per ton. The production last year was some 16,000 tons, so that the decline has meant $1,000,000 in round figures."

BELGO-CANADIAN PAPER

Another striking commentary on the flourishing condition of the Canadian newsprint industry in 1923 is furnished by the official earnings figures of the Belgo-Canadian Paper Co., Ltd., for the six months ended December 31, 1923, showing gross earnings for the period of $1,275,269, and net earnings at the rate of over 15 per cent. per annum.

The figures for the period July 1 to December 31, 1923, are as follows:

Gross earnings		$1,275,269
Deductions:		
Depreciation	$162,268	
Bond interest	240,000	
Sinking fund	80,000	
Pfd. dividend	140,000	
Total deductions		622,266
Net earnings		$ 653,002

ABITIBI

It will be recalled that Abitibi was only able to earn $7 on the common stock in 1922 as compared with $11 in 1921, but in usually well-informed circles it is said that the forthcoming statement will show about $10 on the common. It is also said that the company has been able to reduce its bank loans and improve its working capital position.

In view of the company's improved position it is felt in many quarters that it will not be long before the dividend rate can be increased.

The Abitibi Co. controls under lease from the government of Ontario over 1,000,000 acres of pulpwood, containing about 5,000,000 cords of spruce pulpwood. It is estimated that 15,000,000 cords of pulpwood are available from the Abitibi district, which means that this company has little to worry about in connection with limits for some years to come. The company controls, under favorable lease from the government of Ontario two water powers which have been developed, one of which is at Iroquois Falls on the Abitibi River and the other at Twin Falls. The company owns the entire capital stock of Abitibi Lands and Forests, Limited, which owns the Abitibi Company's extensive townsite of Iroquois Falls.

The company's own railroad, into its timber limits, is proving, it is said, a great saving to the corporation. The railway makes it possible to get wood to the mill all winter.

The cheapness of Abitibi's wood operations must not be lost sight of on account of the following reasons:

1. The mill is in the heart of the limits.
2. The haulage is a short one.
3. Loss in connection with the floating of logs is eliminated.
4. No moneys tied up in huge wood piles.

The above are some of the main reasons underlying the low cost; consequently the Abitibi Co. have a cheaper production cost per ton of paper than other newsprint concerns.

TOURISTS IN QUEBEC

MONTREAL. — The grand total of automobiles from the United States entering Quebec in 1923 was 132,905 bringing, according to estimation, half a million people to the province for visiting purposes. A conservative estimate of the amount of money brought into Quebec by automobile tourists is $17,000,000. It is expected that at least 200,000 cars will visit Quebec in 1924.

52ND ANNIVERSARY
CONFEDERATION LIFE
ASSOCIATION
J. K. MACDONALD, *President*

"Service to Policyholders"

1923 PROGRESS 1923

Surplus Earned Over $1,200,000. **New Insurance Written Over $5,000,000 More than in 1922.**

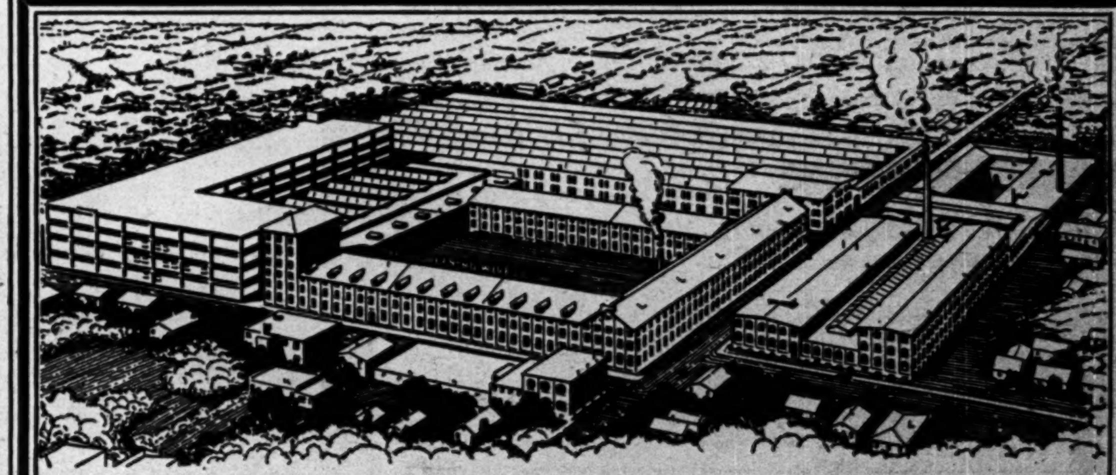
Decrease in Expense Ratio. Interest Earned on Net Assets 6.14 per cent. Very Low Mortality Ratio.

PAID TO POLICYHOLDERS AND BENEFICIARIES $3,274,403.45

Total Insurance in force Dec. 31, 1923	....	$168,383,791.00
Total Assets -	"	36,889,701.05
Surplus - - -	"	3,991,328.74
Total Income - -	1923	8,186,127.98

C. S. MACDONALD, *General Manager*

Full Annual Reports are in the Press and may be obtained on application to the Head Office or to any Agent of the Association.



Line drawing made from birdseye view of The B. Greening Wire Company, Limited—"the Plant that is never idle" owing to diversity of its products and extensive markets

"The Plant that is Never Idle"

Every home and industry in Canada is a market for Greening Products. The Company makes:

Metal Screens for:
Machinery Guards
Window Guards
Iron Window Frames
Boat Railings
Wire Doors
Office Railings
Belt Guards
Cashiers' Cages
Coal Screens
Sand Screens
Mining Screens
Poultry Netting
Door and Window Screens
Cement Plants
Stock Netting
Smoke Box Netting
Milk Strainers
Threshing Machines
Locomotive Stack Netting

Perforated Steel, Iron, Brass, Copper, Tin, Zinc, Monel and Special Metal for:
Mining Operations
Coarse Screens
Household Articles
Threshing Machines
Fanning Mills, Flour Mills
Grain Separators
Rice Mills, Bee Hives
Bridges

Wire Cable and Fittings for:
Hoisting Engines
Hawsers, Tiller Ropes
Transmission and Haulage
Pit Mining
Galvanized Wire Products
Locomotive Switching Ropes
Armour Clad Cable

Chains:
Halter Chains
Dog Chains
Cattle Chains
Hammock Chains
Special Orders, Etc.

Staples for:
Barrels and Boxes
Fences, Beds
Poultry Netting
Cattle Chains
Etc.

THE extraordinary diversity of the products manufactured by The B. Greening Wire Company, Limited, is the basis for the statement that "the Plant is never idle". There is always some phase of Domestic, Agricultural or Industrial activity calling for the use of wire, wire screens, perforated metal, chain, or the hundred and one variations of these basic products which are in constant demand.

The ramifications of the business are shown by the printed list of products, but beyond this, is the fact that these products not only dominate the Canadian market, but are sold also in the United States, Australia, and South Africa.

As a result, when business may be slack in one line or one market, it is usually active in other lines and in other markets. "The Plant is never idle," and, as a result, has been able to achieve and to maintain a record for earnings which has few equals in the annals of Canadian Industry. What these earnings have been, and are at present, may be gauged from the following facts.

Earnings—26% average for 10 years

For ten years past, after paying all operating, maintenance and present funded debt interest charges, the Company's earnings have averaged annually 26% on the total amount of the present Preference Share Issue.

The Company has no Bank indebtedness. Total assets are certified to be equal to more than $200 for each $100 Preference Share issued. Net current assets are certified to be more than $100 for every Preference Share.

It is our opinion, based on exhaustive enquiries and reports, that this 7% Preference Share Issue is a conservative and sound investment, yielding a substantial annual income. Application is to be made to list the Shares on the Toronto Stock Exchange. We offer these Shares for immediate subscription at:—

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Dividends free from Normal Federal Income Tax.

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Many important industrial companies have appointed this Corporation as Trustee Registrar and Transfer Agent and in other corporate trust capacities.

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Ask the Canadian Pacific about Canada

THE Canadian Pacific Railway, through its Bureau of Canadian Information, will furnish you with the latest reliable information on every phase of industrial and agricultural development in Canada. In the Reference Libraries maintained at Montreal, Chicago and New York are complete data on natural resources, climate, labor, transportation, business openings, etc., in Canada. Additional data is constantly being added. No charge or obligation attaches to this service. Business organizations are invited to make use of it.

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Dominion Textile Company LIMITED

Manufacturers of

COTTON FABRIC

MONTREAL TORONTO WINNIPEG

What the Royal Bank of Canada Says of Credit Insurance—

In discussing insurance in one of its monthly bulletins, the Royal Bank says:

"Another type of insurance which seems destined to play a very important role towards the stabilization of business is credit insurance, which, incidentally, is somewhat new in Canada. By means of credit insurance, a business man has a guarantee that his losses, arising out of the insolvencies of his debtors during any given year, cannot exceed the normal expectancy of such losses for his particular line of business. . . . .
The ability to insure against credit loss cannot but have a strong influence towards making business more even and stable."

Manufacturers and Wholesalers, write for full particulars of American Credit Insurance and a list of our Canadian policyholders.

CANADIAN DIVISION
The AMERICAN CREDIT-INDEMNITY COMPANY
of New York —— J. F. McFadden, President

The Pioneers of Credit Insurance

R. J. Mullen, General Manager for Canada,
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Toronto.

0763

Consumers' Gas Rates Fixed by Agreement Not Agitation

Price of Stock Has Not Been Affected, but Corporation-Baiting Has the General Effect of Discouraging Investment of Capital—Toronto Has Suffered

An effort was made—with indifferent success—during the recent municipal election in Toronto to make the Consumers Gas Company a political football. The kicking was almost entirely confined to Candidate Hacker for the Board of Control, but it served to bring him a lot of publicity, as corporation baiting can usually be counted upon to do. Whether it was any considerable factor in his election is a matter for opinion but, having made cheaper gas a slogan, he is now, as a member of the Board of Control, endeavoring to force the issue. Unable to do anything effective to disturb the relations between the company and the city, which are clearly established by agreement and have worked very smoothly in recent years, he proposes application to the legislature to amend the company's charter, and, having been told by City Solicitor Johnston that he is on the wrong tack, he has brought in notice of motion to ask for the solicitor's resignation.

While the relations between the Gas Company and the city are firmly set forth by contract and have been confirmed and clarified by rulings in the Canadian courts and by the Privy Council, a campaign such as that now being conducted may have a disturbing effect on the shareholders and the investment public. Even though it may be pointed out that during the present controversy the stock of Consumers Gas has moved forward with the general trend of the market—reassuring to holders—there can be no doubt that this corporation baiting, which is so common throughout the country and much in evidence in Toronto, has its effect in discouraging the investment of capital in public utility corporations. In fact, the attitude of the Toronto City Hall and some of the newspapers toward capital in general has in recent years been a distinct handicap in the way of those who have been working for the city's industrial development. With heavy taxes, interfering legislation, and irritating regulations, manufacturers have been finding more attractions in other cities and towns.

Agreement Is Clear

The campaign of Controller Hacker against the Gas company has cheaper gas for its slogan, but, as has been shown by the city solicitor, the conditions controlling the price of gas and the relations between the city and the company are clearly defined by charter, by agreement and by court decisions, and the city has no right to interfere beyond these agreements any more than it has with any other company. Particularly is this the case when there is nothing to indicate that the company, in living up to its contracts and agreements, has been doing otherwise than giving excellent public service at very reasonable rates.

The Consumers Gas Company was incorporated in 1848 by special act of the Ontario Legislature, and enjoys a charter without time limit in Toronto and surrounding townships. By the original charter and an Act of 1887, the dividend paid by the company is fixed at 10 per cent. If in any year the net earnings fall below the amount required for the dividend the company may then increase the price of gas. But if in any year the profits exceed the amount required for the 10 per cent. dividend, maintain the reserve fund, make authorized payments on the renewal fund and pay directors' fees, the surplus must be credited to a special surplus account applicable to a reduction in the price of gas when the amount is equal to 5 cents per 1,000 cubic feet on the quantity of gas sold during the preceding year. Covering these conditions affecting the price of gas, the city has as its representative of the board of directors the mayor, and has the right to have its own auditors confirm the annual statement prior to its presentation to the shareholders. Other than this, the courts have held that the city cannot interfere in the affairs of the company.

Discouraging Capital

It is thus evident that the price of gas in Toronto is fixed by conditions of agreement between the company and the city and will not be affected by little political agitations which, however, may handicap such companies in getting required capital when expansion demands. This effect of corporation baiting is indicated in the following from the annual report of the committee on Public Service Securities of the Investment Bankers' Association of America:

Those investment bankers who are identified with the actual sale of public utility securities know full well how sensitive the minds of investors are to any tendency, economic or political, which will, or even might, adversely affect honest investment. Investors seem to possess that kind of instinct which can recognize agitation of a purely political character and are very much disposed to withhold funds from the business while such agitation exists. Continued withholding of funds cramps a utility and the public is eventually not adequately served. It is very unfortunate that voters in general, who naturally are themselves daily users of utility service, do not yet seem to have acquired any such discernment. It has become more evident than ever that a development of local sales of investment securities by operating companies direct to users of service will be helpful in preventing such unfair political attacks.

Prospects for Lower Rates

Analyzing the last annual statement of the Gas Company, and considering the improved conditions as regards fuel supply now being experienced, as compared with recent years, it would seem that some reduction of the company's price for gas may be anticipated if the company is permitted to function smoothly. In the annual report for the year ending September last, there was a balance of nearly $96,000 for the special surplus account, bringing the total of that account to over $216,000. A continuance of favorable operations, such as would encourage the growth of this surplus, would, in a reasonably short time, bring about the reduction of 5 cents per thousand in the price of gas under the conditions of the charter agreement.

The extent to which rates have been adjusted for the benefit of consumers is indicated in the last annual statement which says: "The present schedule of rates has been in effect for the full year, and, as compared with the price for gas reached in 1921, represents an actual saving to the consumers of the company of more than $1,102,000 for the year." It is the boast of the company that Toronto consumers have in many years enjoyed the lowest rates charged for gas in any city of similar size in America, in spite of the duty and freight on both raw materials and equipment.

BESCO SELLS MUCH COKE FOR HOMES

Finding Domestic Markets in Maritime Provinces and in Montreal

From Our Own Correspondent.

MONTREAL.—The British Empire Steel Corporation has been gratified by the results that have attended its campaign to provide Montreal with coke as a fuel for household or domestic use. An extensive advertising campaign has been carried on locally to break down the resistance to what must be regarded as a departure from the usual habits of the citizens in their fuel supply, and to educate them to the advantages claimed for coke. Altogether, it is expected that about 5,000 tons, or around 100 cars of coke will be sold in Montreal this season, although the sales campaign did not get under way until about the beginning of the year. This, of course, represents only a small portion of the potential market on the island of Montreal for by-product coke.

In the Maritime Provinces, Besco coke has practically replaced anthracite coal as a domestic fuel. Coke sells for about $3 per ton less than coal, has greater volume to the ton and greater heat value, it is claimed. At its Nova Scotia plants the corporation has been able to keep about six batteries of furnaces in operation, but, of course, the present strike has interfered with production to some extent. The coke is hauled to Montreal by rail.

TWIN CITY EARNED $6.18 ON COMMON

Payment of Two Semi-Annual Dividends of 3 Per Cent. Has Been Justified

Twin City Rapid Transit annual statement for 1923 showed little change from the preceding year, $6.18 per share being earned on the common, as against $6.16 in 1922. Comparative income account was as follows:

	1923	1922
Gross rev.	$13,463,111	$13,772,647
Net aft. taxes ..	2,552,202	2,606,398
Other income ...	116,935	69,241
Total income ...	$ 2,669,137	$ 2,675,639
Int., etc.	1,099,069	1,110,438
Net income	$ 1,570,068	$ 1,565,201
Pfd. dividends ..	210,000	210,000
Com. dividends ..	1,320,000	880,000
Surplus	$ 40,068	$ 475,201

Horace Lowery, president of the company, in his report stated that earnings for 1923 were sufficient to justify the directors in declaring and paying quarterly dividends at the rate of 7 per cent. per annum on the preferred stock, and two semi-annual dividends of 3 per cent. each on the common stock of the company. He also stated that negotiations were in progress before the Railway and Warehouse Commission of the State of Minnesota for the purpose of determining the value of the property of the Minneapolis Street Railway Co., fixing a reasonable rate of return thereon, and the rate of fare to be charged by that company. These hearings have not yet been completed. Similar hearings are in progress in connection with the St. Paul City Railway Co. An effort is being made by the companies' officials to hasten the final determination of the value of the property.

Syndicate to Take Over Stanley Mills Company

HAMILTON—A meeting of the Stanley Mills Co., departmental store, Hamilton, is called for February 4, at 11 o'clock. The announcement was made last week, that the company had assigned to John R. Robertson, of Robertson, Robinson, Armstrong and McConnell, Toronto. The business is being carried on under the direction of the assignee. It is stated that the liabilities involved amount to something like $310,000. It appears that the firm is about to be reorganized, and it was upon learning of this proposed re-organization that one of the creditors asked for the appointment of a receivership.

It is learned, however, that a syndicate is in the course of formation which will take over the business, and pay creditors so much on the dollar, the amount not yet being decided.

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The Tobacco of Quality

Sealed Package (which keeps the tobacco in its original condition) 15¢

also in ½ lb. tins

ROLLAND'S

For Stationery of Distinction

You are spending hundreds, perhaps thousands of dollars annually for paper—for letterheads and office forms of all kinds.

Rolland papers are unequalled for quality and durability. They are made in grades suitable for every purpose. Ask your printer for samples and compare them, grade for grade, with the paper you are now using.

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Mills at St. Jerome, P.Q., and Mont Rolland, P.Q.
High Grade Paper Makers Since 1882.

Helping a Bank In a Tight Place

Unexpected demands left the local bank with a serious shortage. A supply of new bills was required before ten o'clock the next morning.

There was no time to write a letter. The Manager got the Head Office on Long Distance. He specified his wants and took advantage of the opportunity to discuss several accounts.

His mind was relieved. He knew the currency would be there in the morning.

While the package of $10,000 arrived the next morning, the opportunity to discuss his accounts with the Head Office meant even more to the Manager.

Each new telephone installed adds to the value of YOUR service.

THE BELL TELEPHONE COMPANY OF CANADA

FRANK KENNEDY,
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Merchants Casualty Company

E. F. SEAGRAM, President S. C. TWEED, Vice-President.
L. M. FINGARD, General Manager.
HEAD OFFICE — — WATERLOO, ONTARIO

Eleventh Annual Statement

December 31st, 1923

Assets	$ 450,367.17
Liabilities	290,926.02
Excess of Assets (Capital and Surplus)	159,441.15
Total Income	866,137.60
Claims Paid 1923	409,557.49
Total Claims Paid To Date	2,034,008.88

The Largest Company of its Age and Kind in Canada.
$154,222.16 in Bonds Deposited with Dominion Government.

MILLING EXPORTS

With heavy inquiries from South American sources for Canadian flour, millers expect to see their export volume substantially increased in February over this month. This movement together with offerings here of a premium for wheat at Vancouver, have been the most encouraging trade features of the week in Winnipeg.

GOLD and SILVER STOCKS
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Members Standard Stock and Mining Exchange. One of the oldest and most reliable Mining Houses.
Established 1908.

Hamilton Ont.
MINING STOCKS
E. J. Hammond & Co.
20 King St. East, Hamilton, Ont.

Koontz, Hickey & Co.
MINING STOCKS
Our daily Bulletin on the Mining Market, supplemented fortnightly by our Publication, "The Mining Age." Free on request.
Adel. 6200-6400,
ROYAL BANK BLDG., TORONTO.

MINING NEWS FOR THE INVESTOR

NIGHT HAWK NO. 4 VEIN HAS OPENED TO 24 FEET WIDTH

Spectacular Result Accompanied by Increased Values—Mill Doing Well

No. 4 vein of Night Hawk Peninsular has increased in width from 6 to 24 feet with an increase in values of from $11 to $16. This spectacular result took place in stoping operations on the third level. The dip of the vein indicates that from this level there will be 150 feet of backs, the vein rising up to the south of No. 1. This will add materially to the ore reserves of the mine. A winze has been driven to the fifth level, 525 feet. It was mostly in the hanging wall, but good ore was encountered for a considerable distance, leaving 125 feet of backs between these levels. The bottom of the winze on the new level is in a well mineralized sulphide ore carrying good values. Showings of free gold were also encountered, Manager A. R. Globe informed THE POST. In the meantime the Night Hawk mill has been making good progress and next week will see the first cleanup and the melting of the first gold brick. The tonnage of the mill has been steadily increasing as the plant settled down to smooth running. To-day it is handling 90 to 100 tons and this will soon be well over 100. Recovery, Mr. Globe says, is up to expectations, according to tests made as work progressed. All the ore is coming from underground, from development and the stope on No. 4 vein. The large surface dump is practically untouched.

R. B. WATSON DEAD

R. B. Watson, managing director of Nipissing Silver Mines and dean of the Cobalt camp, is dead. He has been ailing for a long time. His wide circle of friends in the industry will regret his passing.

Silver Stocks in Favor With the Speculators

On every hand one hears predictions of a great mining boom for this year. Many are connecting the recent heavy trading in mining shares as a prelude to the launching of the boom. Silvers outclassed the golds in activity. The sensational results in South Lorrain focused attention on Keeley, Mining Corporation and Trout Lake. These issues rose to new levels and brought generous treatment for other silvers along in their wake. As was to be expected that market has since eased. Heavy rises of this nature are bound to tempt the profit takers.

The gold section was somewhat neglected. Vipond was the outstanding issue of this group. It sold up to 129, a really spectacular rise and then slipped a few points under moderate profit taking. Night Hawk got a favorable although not boisterous reception and has moved up somewhat. Dome has reacted following another foolish report about this company. The impression prevails that the setting of the stage for these raids is by no means accidental. Certainly the excuses for the last two raids were far fetched. It is also being noted that where the slightest thing that will have a bearish effect on the stock crops up it is broadcasted. Favorable news, as one northern report recently emphasized, is rather jealously guarded.

CROWN RESERVE RESERVES

There are many reports about as to the amount of ore which Crown Reserve has blocked out. From an excellent source comes the information that they are developed to the 550-ft. level, that the three veins showing a total average width of 71 feet have been opened for 500 ft. with cross-cuts every 50 ft. and that the average grade of ore is $9. This is a fairly big order of development to get through in the time that it is said to have been accomplished. However, if the figures are correct they would mean 19,525,000 cubic feet of ore, or 1,627,083 tons of $9 ore or reserves valued at $14,643,757.

S. KEORA TO GET FUNDS IN ENGLAND

South Keora has a deal about consummated that will mean the resumption of operations on its Porcupine property and also the property recently acquired in South Lorrain. English interests have agreed to take up 700,000 shares of treasury stock at a price that will be sufficient to finance the property to a production basis. Details are all worked out and as soon as the papers get to London it will be concluded. Thirty days after 60,000 shares must be taken up. This should allow the re-opening of the property by March 15. In addition an option is given on 1,000,000 shares of South Keora stock owned by Porcupine Keora. The latter company is purchasing the Lorrain property from S. Keora. This is well located with a large break passing through it. It has been stripped for 150 feet in length and shows a width of 10 feet.

It is understood that a reliable financial group is taking up the Keora stock in London. The price to the company in Canadian funds is 5 cents.

Canadian Kirkland to Make Trust Note Issue

Canadian Kirkland will sell stock by issuance of collateral trust notes. Shares will be sold at $1 a share. The trust note, executed with the Union Trust Co., guarantees to the purchaser of stock that he will have his money returned on the due date of the trust certificate 10 years. Thus the shareholder will be lending the money for mine development and will get the stock as a bonus. The company reserves the right to redeem the notes at any prior date, if it so desires. Canadian Kirkland has 260 acres south and west of the producing section of the camp. A great deal of development has been done on it, and some 16 veins found. Considerable work has been done on three of them. The shaft is down 400 feet. So far $125,000 has been spent on the work and the outlook is regarded very favorably. The same company owns 160 acres in the North part of the camp having purchased it from the Fidelity.

Are Thompson-Krist's Assets a Cent a Share?

"We own a one-third interest in North Crown and North Crown owns 600,000 shares of Porcupine Crown."

The above is an official statement of the assets of Thompson Krist mining company, made to THE POST by W. R. Wadsworth, secretary of the company.

Thompson Krist stock is to-day selling at 7½-7¾ cents. On the above valuation the true value of the stock works out at about one cent a share.

T. K. amalgamated with Porcupine Crown. The new company, the North Crown, borrowed $100,000 and gave a mortgage to P. C. on movable property. The operation failed and Porcupine Crown foreclosed. It offered North Crown the property and equipment for $160,000 and 600,000 shares of Porcupine Crown stock. On Aug. 10, 1922, this was approved. The $150,000 was used to pay off the mortgages and accrued interest.

The final result is that Thompson-Krist total assets are equivalent to 200,000 shares of Porcupine Crown stock with a value based on present market price of $20,000. This represents a value of 1 cent a share for Thompson-Krist stock.

CHANGES AT KEELEY

E. V. Neelands is the new resident manager of Keeley silver mines, Harold Whittingham having resigned to move to Toronto as general manager of Huronian Belt Co., which has large holdings in Keeley, Vipond and Canadian Lorraine. Dr. J. Mackintosh Bell is managing director of the Canadian company of the Huronian Belt.

SILVER AND OTHER METALS

	26	28	29	30
Silver				
London (P.)	33½	33 9/16	33⅝	33¼
New York	63½	63⅝	63¼	63
Copper	12⅞	12⅞	12⅞	12⅞
Lead	8.00	8.00	8.00	8.00
Zinc	6.50	6.50	6.50	6.50

Mining Stock Quotations

Week Ending January 29

	High	Low	Close Jan. 29	Close Jan. 22
Argonaut	56½	52½	56	56
Beaver	33¾	29½	32	32⅝
Bidgood	12⅝	11	11½	12½
Castle T.	66	62	65	64
Coniagas	12.20	2.10	2.20	2.15
Cons. Smelters	39	37½	37⅞	37⅝
Cons. W. D.	27⅜	26	26¼	26¼
Clifton	9	5½	7¼	5⅝
Col. Kirkland	7	7	7	—
Crown Reserve	75	73½	74½	75
Davidson Cum. Rts.	20	20	20	—
Everett	14¼	13¼	13¾	14¼
Goldale	48	40½	43	47⅝
Hollinger	12.55	12.00	12.00	12.41
Hunton	7	6	6	7
Indian	65	58	65	61½
Keora	9½	6⅞	9½	9
Keeley	2.68	2.25½	2.54	2.29
La Rose	23	21	22	24
Lake Shore	3.67	3.55	3.57	3.62
Lorrian	18½	14	16½	14½
Montreal, Ont.	15	14	15	13
Lebel Oro.	30	30	30	30
McIntyre	17.80	17.35	17.45	17.80
Mining Corpl.	3.65	3.34½	3.58	3.33
Moneta	22	21⅛	22	22
Newray	42	40	40½	41½
Nipissing	6.65	6.30	6.50	6.30
Night Hawk	98	90	93	91
Pete. Lake	10¼	10	10	10⅜
Porc. Crown	12½	9	12½	10
Preston	16	14½	14¾	15½
Trout Lake	1.25	1.16	1.25	1.16
Teck Hughes	1.34	1.23	1.31	1.27
Thomp. Krist	7¾	6	7½	6
Tough-Oakes	69	65	66	65½
Vickers	22	22	22	22
Vipond Cons.	1.27½	1.06	1.20	1.07
Wettlaufer	22	19	20½	18½
Wright Har.	3.00	2.85	2.85	2.90
New York Prices				
Inter. Nickel, com.	15	13	14½	13⅛
Do., pref.	80½	79	79	80

Castle-O'Brien Silver Area Attracts Large Interests

WE now have in course of preparation a survey map of the Castle-O'Brien Mines section of Gowganda. This section already has produced many millions of ounces of silver, and is considered the most productive area in this district.

Prominent engineers agree that geological conditions in this highly productive section of Gowganda are very similar to those existing at the Keeley and Mining Corporation Mines in South Lorrain.

Those desirous of obtaining this new map should file applications with us at once.

Arthur E. Moysey & Co.
EST. 1904. LIMITED
242 BAY STREET - TORONTO

"Timely Talks on Mining"

By

Irving J. Isbell

TALK NUMBER TWENTY-THREE

Several years ago, back in the days when Kirkland Lake might have been a summer resort instead of a mining camp so far as most people were concerned, a man came into my office one day and said he had $1,000 which he wanted to invest in mining stocks. If I remember rightly, he said that this was all the money he had and he had been saving for years to get this much together. He had had the money in the bank but was not satisfied with the income that it brought—and having just heard that Nipissing, Hollinger, etc., had been paying in some years as high as 30 per cent., he did not see why he should not buy a good dividend-paying mine stock and get a bigger income.

Right away, I told him that if he wanted to make an investment in the strict sense of the word—in other words—if he wanted to put his money where he was as certain as could be that his principal was safe, that he should go and see a government bond dealer and be satisfied with 4 or 5 per cent., which was the yield about that time on high grade securities. I pointed out to him that very few if any mining stocks can be classed strictly as investments, that even the best of them were speculative and that was why there was so much better yield on mining stocks than on government bonds.

But he was obdurate, he said that a 4 or 5 per cent. bond was alright for a man who had fifty or a hundred thousand dollars to invest, but that on a comparatively small amount of money like he had, the income was not enough. Besides, he said he had been following the mine stocks for some time and he did not see that the danger of losing money in a company with millions of dollars in ore reserves was so great after all. Good companies like Hollinger kept on paying big dividends year after year and the mine was growing bigger every day, he said.

The upshot of it was that he finally bought 100 shares of Hollinger that cost him $5 a share and the balance he put into Lake Shore at 40c a share.

I had completely forgotten the incident, and what brought it back to my mind was the fact that I met the man on the train a few days ago. He remembered me and we got talking about stocks. He told me that he had held on to the stocks he had bought that day several years ago and that the thonsand dollars had grown to over five thousand, while the dividends each year amounted to over 16 per cent. on his original investment. Needless to say, he was delighted that he had not allowed his caution to keep him from buying into mining stocks.

I am telling this incident for the sake of those people who think that every mine stock is a fake and that mining is just another short-cut to the poor-house. There are still a few people who shut their eyes to the magnificent dividend record of the gold and silver mines and obstinately declare that all mining is dangerous. It is true that there are black sheep in mining just as in any other kind of industry but to condemn all mining because a few unscrupulous people have used the term "mining" to fleece the public is just as ridiculous as condemning banking because once in a while a bank fails.

Those who bought Lake Shore around 40c. know full well that there is a lot of money to be made in mining, for Lake Shore is now selling at nine times this figure, besides having paid 32c. a share in dividends.

When Lake Shore was selling below $1 a share it was at the opportunity stage—it is now an achievement. The best opportunity that I know of to-day is Rouyn Gold Mines shares, which can be bought around 32c. A week ago I advised the purchase of Rouyn Gold Mines as an A-1 speculation and it was selling then at 26c. Since last week this stock has advanced 6c. a share and those who took my advice have already a nice profit to their credit. But I believe Rouyn Gold is going to sell much higher yet—in fact if the ore bodies prove as good underground as on the surface, there is no telling but that Rouyn Gold may prove another Lake Shore and that those who become shareholders at present prices may do as well as the man whom I have just been telling about.

Mr. Isbell's "Timely Talks On Mining" will continue for an indefinite period in this column. "Talk Number Twenty-Four" will appear in the issue of February 8th. We suggest that you have your name placed on our mailing list to receive a copy of "Timely Talks on Mining" each week without any charge or obligation of any kind.
Simply write your name and address on this coupon and mail to us.

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Your Future?

The type of man who protects his home—

Will, as the years pass by—

Find increasing prosperity—

And in due time reap the rewards of success.

that your good health would continue, even for one day—

that twenty years from now you would be alive and well off—

that your present income would remain secure and always available for you or your family—

You might then plan your affairs accordingly. But to know these things is impossible.

The Only Way

You can, however, anticipate the years, *capitalize* your present health and earning power, and thus make certain of twenty years' progress *now*, by securing in good time our

Home Protection Policy
for $5,000

This plan is the basis of all life insurance.

It provides an "Estate" at the lowest net outlay it is possible to obtain.

Experience has proven that it offers maximum insurance at minimum cost.

The annual outlay is comparatively small, being only a moderate rate per cent on the capital "estate" created, according to age. The average is about 3%.

Even these small payments are reduced by dividends.

Many policyholders in the Canada Life have lived to draw large sums from this form of policy for their own personal use.

Cash values are guaranteed—a fund for emergencies.

A monthly income of $50 is paid if you become totally and permanently disabled before reaching age sixty.

Policy continues in force while any cash value remains, thus preventing lapse and loss of protection.

If it is desired to stop paying premiums any time after the third year, a "paid for" policy is issued for a proportionate amount, on which no further premiums are required.

Remember:

A policy on your life may do much that you intend to do, if you live. It may pay off the mortgage, supply food and clothing for your family, keep the children at school and prevent a forced sale of your other property.

It may be all that is left of your life work—to keep you in comfort in your old age.

Ask For Particulars

Canada Life
Assurance Company
Home Office
TORONTO

FILL UP — CUT OFF — MAIL TODAY
Canada Life Assurance Company,
Dear Sirs—Without obligation on my part, please send me particulars of your Home Protection Policy.
Name ....
Address ....
Born .... day of .... 18 ....

The crosscut on the Everett mine, Gowganda, has reached the large fractured zone and will proceed through it. The hope of the operators is that they will encounter commercial ore in this zone. Two calcite veins were encountered at the edge of the zone. Everett adjoins the castle.

NEWS OF THE BANKS AND BANKING

MOTION PICTURE PROMOTER TRIPPED BY BANK MANAGER

Smooth Talk Exposed When Facts Turned Loose

From Our Own Correspondent.

ST. JOHN.—In this hectic age, the suave promoter is sometimes the nemesis of the bank manager. And, outstanding in this species is the motion picture stock manipulator. Realizing that in selling his stock to the people of the smaller centres he is favored by lack of knowledge of the motion picture business, on the part of prospective stock buyers, he usually plies his wares in the less populated sections.

Not long ago, such a promoter made a flourishing entry into one of the towns of the Eastern Canadian territory. In glowing language he pictured to the publisher of the local daily papers the possibility of immense profits in the production and marketing of films. And, incidentally, he laid stress on his statement that the films could be produced much more cheaply in that self-same centre than in New Jersey, California, Florida, or any other state. The reason being radical reduction in overhead expenses. After the plan for the formation of a local company was disclosed, in the course of a dinner at which the promoter was the genial host, the promoter sought directors for his organization.

One of those he called on was the manager of one of the local banks. Now, while this man was not old in years, he was not callow in wisdom. He refused to allow his name to be used in connection with the venture. This angered the promoter, and, in quest of revenge, he endeavored to have many of those he had inveigled into his company withdraw as customers of the bank. In fact, he succeeded so well in weaning away some of the bank's best customers, that the manager resolved he would strike back in kind.

His opportunity came when, at a formal dinner, the motion picture producing company was launched. All of the addresses had been highly eulogistic of Mr. Promoter until the chairman called on the bank manager to speak, he having received an invitation from a director, who was one of his important customers. And, in arising, the bank manager read a telegram from the financial editor of one of the leading American dailies, and who was familiar with motion picture financing. The message of the financial expert was that the promoter had absolutely no rating in either finance or motion pictures, and it would be the advice of the financial editor to have no financial dealings with him whatever.

The wire created a sensation. Two factions were the outcome. One favored the promoter and another opposed him. The bank manager was condemned by the first named faction, and commended by the second named faction. The promoter bluffed along and produced a picture. It cost thrice as much as he had stipulated, and he received the bulk of the investments in stock. And, instead of showing a profit, the film was so poorly produced there was a huge loss.

The bank manager refrained from an "I told you so" attitude. But both factions, and the city as a whole, now look upon him as a sound banking man. Better to be sized up by some for a year, as a meddler, than for life by all as a numbskull.—W. J. McN.

BANKERS ELECT OFFICERS

At the annual meeting of the Pacific subsection of the Canadian Bankers' Association held in Victoria recently, the following officers were elected: Chairman, N. W. Berkinshaw, manager, Bank of Nova Scotia; vice-chairman, H. H. Borris, superintendent for B. C. branches, Canadian Bank of Commerce; councillors: W. H. Hogg, superintendent for B. C. branches, Bank of Montreal; C. W. Frazee, supervisor for B. C. branches, Royal Bank of Canada; G. W. Swaisland, manager, the Molsons Bank; J. Murray Lay, manager the Imperial Bank of Canada.

Exchange

In enumerating the remedial measures contemplated by the French government to stabilize the franc, M. de Lasteyrie says: "I intend further, within the limits of existing legislation, to strengthen the control at present exercised over exchange operations, over the records kept of transactions, etc. Finally, I am considering one further point. Profiting by the relatively low rate of discount some exporters do not repatriate the total amount of their foreign values and arrange for credits in francs to be opened for them. This practice is inadmissible, and I have decided to combat it in agreement with our various financial organizations."

Past experience, however, does not encourage the expectation that control will benefit exchange, in the opinion of Samuel Montague & Co.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Jan. 24 ..	2 3-4	2 5-8	1 1-64	1
Jan. 25 ..	2 53-64	2 11-16	1 1-64	61-64
Jan. 26 ..	2 7-8	2 13-16	1 1-64	31-32
Jan. 28 ..	2 7-8	2 27-32	1 1-32	1 1-64
Jan. 29 ..	3	2 7-8	1 1-16	1 1-32
Jan. 30 ..	3 5-64	2 31-32	1 5-64	1 3-64

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Jan. 24	4.22¼	4.48½	4.34
Jan. 25	4.22 5-16	4.47	4.34½
Jan. 26	4.23½	4.52	4.34
Jan. 28	4.25¾	4.62½	4.36½
Jan. 29	4.25⅝	4.58¾	4.35
Jan. 30	4.26⅞	4.68	4.34¾

Lower Interest Rate For Alberta Farmers

EDMONTON.—Cheaper interest rates for Alberta farmers belonging to co-operative credit organizations were announced by Premier Greenfield to a convention of these organizations held the past week in Edmonton. The premier announced that the bank interest to these credit societies would be reduced from 7 to 6½ per cent. The premier incidentally declared it to be the opinion of Eastern bank interests that the Alberta co-operative credits system was one of the most fundamentally sound and practically operated of any in the Dominion.

Take Prior Security On Alberta Advances

In connection with the guaranteeing of bank loans to deserving farmers in Alberta, under which it is claimed that the government has not lost a dollar, it is pointed out by John Appleton, secretary of the Dominion Mortgage and Investments Association, that these advances by the banks with the guarantee of the government are those with respect to seed grain, and to co-operative credit societies. "And it should be borne in mind that both as to seed grain and as to advances to the societies referred to the government is secured by liens which take rank over all other creditors, not even excepting taxes. A merchant or a loan company may have been carrying a farmer over several years of hard times, supplying him with food, seed and other essentials, and when his credit is exhausted in these respects the municipality steps in and provides seed, the co-operative society an advance, and these take security ahead of the existing encumbrances." It is submitted that under these circumstances neither the banks nor the government is taking any risks.

Staff Gossip

Gordon Philp, formerly of the local staff of the Bank of Montreal, has been transferred from Thornbury to Sault Ste. Marie.—The Standard, Listowel.

* * *

Felix Devine has been transferred in the service of the Bank of Nova Scotia from Renfrew to Kemptville.—The Mercury, Renfrew.

* * *

F. C. Grant, manager of the Bank of Hamilton branch of the Canadian Bank of Commerce, was chosen president of the Moose Jaw Board of Trade.—The Times, Moose Jaw.

* * *

J. J. Benson, manager of the Bank of Montreal, Fenelon Falls, has been notified that he will be transferred to the Almonte branch. C. F. Johnston, of Stirling, will replace Mr. Benson.—The Watchman-Warder, Lindsay.

* * *

Wallace Colley, whose home is in Listowel, but has been at Welland for some considerable time, in the Bank of Montreal, has been promoted to the same bank at Sault Ste. Marie.—The Globe, Toronto.

* * *

G. J. Watt, manager of the Canadian Bank of Commerce, Chilliwack, has been transferred to the Vancouver Heights branch of the bank, as manager. William Murray, of Salmon Arm, has been transferred to Chilliwack.—The Province, Vancouver.

* * *

Bruce Armstrong, teller of the Tara branch of the Bank of Montreal, has been transferred to Glencoe. He was an active member of the Hockey Club. His friends presented him, on the eve of his departure, with an address, a clock and a kodak camera.—The Advertiser, London.

* * *

Gifford King, who for the past several years has been the popular manager of the Innerkip and Hickson branches of the Standard Bank, has been promoted to the head office of the bank at Toronto and will leave soon to assume his new duties. He will be succeeded by Mr. Frost, of Toronto.—The Globe, Toronto.

NEW PRESIDENT TORONTO TRUST

At a meeting of the directors of the Toronto Trust Corp., Sir Edmund Walker was elected president, succeeding the late Hon. Featherston Osler, K. C. Sir Edmund is the fourth president that this institution has had during the 42 years of its existence. Hon. Edward Blake was the first president, and he was succeeded by Dr. John Hoskin. Hon. Featherston Osler was the third president of the corporation.

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	Jan. 24, 1924	Change	%
Montreal	$93,321,113+	$10,100,564	12.1
Toronto..	91,728,360—	5,809,094	5.9
Quebec	5,446,030+	459,304	9.2
Ottawa	5,204,642—	178,640	3.3
Hamilton	4,958,123+	120,937	2.5
Windsor	2,791,926+	150,024	5.7
St. John	2,568,766+	168,601	7.0
Halifax	2,494,364+	76,021	3.1
London	2,397,391—	97,944	3.9
Peterboro' . ..	882,091+	272,968	4.5
Kitchener . ..	824,418—	12,614	1.5
Brantford . ..	815,340—	19,333	2.3
Moncton	725,267—	210,158	22.4
Sherbrooke . ..	725,157+	72,665	11.1
Kingston	567,788+	77,495	15.8
Total, East ..	$215,460,776+	$5,170,296	2.4

WESTERN CITIES

	Jan. 24, 1924	Change	%
Winnipeg	$35,610,577+	$3,878,414	12.2
Vancouver . ..	14,308,235—	182,834	1.2
Calgary	5,905,194+	1,633,532	38.2
Edmonton . ..	3,664,139+	162,462	4.6
Regina	2,730,645—	289,042	9.5
Victoria	1,713,819—	596,831	25.8
Saskatoon	1,445,682+	145,166	11.1
Moose Jaw . ..	1,198,377+	295,684	32.8
Fort William .	788,886+	163,404	26.1
New W'minster	490,188+	74,749	18.0
Brandon	459,462+	2,385	.5
Lethbridge . ..	395,839—	4,364	4.4
Medicine Hat..	312,654+	30,412	10.7
Prince Albert .	278,957—	16,933	5.7
Total, West .	$ 69,302,654+	$ 5,296,204	8.2
Grand Total	$284,763,430+	$10,466,500	3.8

SAFE, SANE COURSE AS TO HOME BANK

Saskatchewan Grain Growers Refuse to be Stampeded Into Attack on System

From Our Own Correspondent.

MOOSE JAW.—Safer and saner counsels prevailed at the annual convention of the Saskatchewan Grain Growers' Association, more especially as regards the annual batch of resolutions dealing with manufacturing interests, loan companies, banks, and other financial institutions. The refusal of the convention to endorse a resolution setting out in detail various measures which the federal government should take in connection with the Home Bank failure goaded the sponsor of the resolution into making the taunt that "the association had lost a lot of its membership just because it was safe and sane, but would find out, perhaps, when it was too late, that cancers could not be treated with bread poultices."

The resolution, among other things, suggested that the Dominion government should take over the assets of the Home Bank pay all depositors in full, remit the double liability penalty exacted, except in the case of persons who were guilty of illegal or improper acts, as directors, officers, or patrons of the bank; cancel all claims of unpaid balance on purchase price of Home Bank stock, by cancellation of the contract, with the forfeiture merely of the amount paid; on compassionate grounds, pay interest at the rate of 5 per cent. of the par value on the stock owned by persons rendered destitute by the loss of income from such stock; pass an amendment of the Bank Act, providing for adequate government inspection and supervision of banks; give chartered banks the alternative of reimbursing the crown for all losses in connection with the settlement of the affairs of the Home Bank on basis of pro rata levy on paid-up capital stock, or subscription, or accept amendment to Bank Act setting forth the joint liability of the banks in case of the failure of any of the number.

In opposing the resolution, different delegates declared that it would be exceedingly unwise to pass such a resolution, and one recommending merely the shareholders and depositors to the sympathy of the government was passed in its stead.

Wilkie Scholarship Essay Competition, 1924

1. The scholarship of $100 will be awarded for the best essay, and prizes of $50 and $25 have been added by the Canadian Bankers' Association for the essays ranking respectively second and third in merit.

Any person who is employed in a bank and who is enrolled in either the Associates' or Fellows' Course, and who is pursuing studies in either course, shall be eligible as a competitor.

2. The Imperial Bank of Canada has supplemented the D. R. Wilkie Scholarship, 1924, by offering a prize of $100 for the best essay, open to another class of competitors, upon the subject which persons competing under 1 hereof are to write. A second prize of $25 will also be given in this competition for the essay ranking second in merit.

Any person who is employed in a Canadian bank, and who is not enrolled in either the Associates' or Fellows' Course, shall be eligible as a competitor under 2 hereof.

3. The subject upon which the essay for the year 1924 shall be written is: Collection Department—Best Methods of Making it Serviceable to the Customer and Profitable to the Bank.

4. The essay shall contain not less than 2,000 words, nor more than 4,000 words.

Banks Have a Duty to Their Public Creditors

At the annual meeting of the Dominion Bank, the General Manager, C. A. Bogert, referred to the criticism sometimes offered that the banks should lend their money more freely and that they should provide funds for unproved enterprises and furnish capital for investment in fixed assets.

Mr. Bogert asserted that it cannot be too often or too emphatically stated that the first duty of the bank beside which all other obligations are relatively insignificant, is and must be toward its public creditors.

Sir Edmund Osler, the president expressed the opinion that guaranteeing of bank deposits would be attended by the gravest consequences. Such a law would adversely affect Canada's credit standing abroad and interfere with the flow of capital because knowledge, judgment and experience would no longer count for anything in a bank.

BAY SULPHITE'S REORGANIZATION NOW UNDER WAY

(Continued from page 1)

mill, but not on the Chandler mill. Reference to the circulars issued at the time the bonds were offered indicates that while this point was not as openly and clearly defined as it might have been there was nothing misleading in the offering. The assets behind the bond issue of $3,000,000 were declared to be fixed assets of $6,275,896 and equity in the St. Lawrence company of $2,628,026 in addition to net current assets of $1,371,725. In showing the capitalization and bonded indebtedness of the company no reference was made to the St. Lawrence bonds.

It is quite likely that if the Becker Company had not failed, but operations had been continued as before that the St. Lawrence bonds would have been entirely wiped out as a prior charge on the St. Lawrence mill, and this could then have been taken wholely into Bay Sulphite. It is understood that during the past year about $1,000,000 of the St. Lawrence bonds were purchased quietly out of Bay Sulphite earnings, and thus practically paid off before maturity.

The reorganization of the company is likely to take shape in the formation of a new company to acquire Bay Sulphite's assets, and to assume its liabilities, and which will give new bonds for the old bonds now held. Thus, the position of the bondholders will be practically unchanged, and as the common stock is not widely held, there would not be widespread loss to investors. The position of Saguenay Pulp and Power Company would be interesting, for it owns about 45 per cent. of Bay Sulphite stock, through a subsidiary, and this might not prove a substantial asset in case of reorganization.

IMPERIAL BANK

The Imperial Bank announces the following changes:—E. T. Cuttle, formerly teller-accountant, Yorkton, Sask., has been appointed accountant-in-charge at Denholm, Sask., vice B. E. Thompson, resigned.

The daily service at Carmichael branch is being discontinued and will be given a two-day-a-week service from Tompkins, Sask.

SASKATOON CLEARING HOUSE

G. H. Harman, manager of the Saskatoon branch of the Bank of Montreal, was unanimously elected chairman of the Saskatoon Clearing House Association. R. B. Irons, accountant at the Royal Bank, was re-elected clearing house manager. A committee for the year was elected as follows: R. M. Hansen, manager of the Royal Bank; W. S. Ashley, manager of the Dominion Bank; W. P. Osborne, manager of the Bank of Nova Scotia, and W. J. Savage, manager of the Bank of Commerce.

Regent West Adelaide Near Yonge
WEEK OF FEB. 4
Cameron Matthews English Players
In Conjunction With The
MAURICE BRITISH PLAYERS
In Arthur Wing Pinero's Greatest Play
"His House in Order"
MATS. THURS. & SAT.
Performances at 2.30 & 8.30.

THE

DOMINION BANK

Fifty-third Annual Meeting of Shareholders

The Fifty-third Annual General Meeting of The Dominion Bank was held at the Head Office in Toronto, on Wednesday, January 30th, 1924, at which the following statement of the Profit and Loss Account and the Liabilities and Assets of the Bank as on December 31st, 1923, was presented:

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th December, 1922 ..		$ 758,163 38
Profits for the year, after deducting charges of management and making full provision for bad and doubtful debts ..		1,129,369 76
		$ 1,887,533 14
Which amount has been disposed of as follows:		
Dividends (quarterly) at Twelve per cent. per annum	$ 720,000 00	
Bonus, one per cent.	60,000 00	
Total distribution to Shareholders of Thirteen per cent. for the year		$ 780,000 00
Contribution to Officers' Pension Fund		45,000 00
Dominion and Provincial Government Taxation		162,158 16
Written off Bank Premises		75,000 00
Balance of Profit and Loss Account carried forward		825,374 98
		$ 1,887,533 14

GENERAL STATEMENT

LIABILITIES

Capital Stock paid in			$ 6,000,000 00
Reserve Fund		$ 7,000,000 00	
Balance of Profit and Loss Account carried forward		825,374 98	
Dividend No. 165, payable 2nd January, 1924		180,000 00	
Bonus, one per cent., payable 2nd January, 1924		60,000 00	
Former Dividends unclaimed		219 00	
			8,065,593 98
Total Liabilities to the Shareholders			$14,065,593 98
Notes of the Bank in Circulation		7,366,384 00	
Deposits not bearing interest	$19,992,610 53		
Deposits bearing interest, including interest accrued to date	68,913,644 57		
		88,906,255 10	
Advances under the Finance Act		4,000,000 00	
Balances due to other Banks in Canada		2,977,068 76	
Balances due to Banks and Banking Correspondents elsewhere than in Canada		2,135,444 86	
Bills Payable		12,404 00	
Letters of Credit Outstanding		2,259,008 25	
Liabilities not included in the foregoing		338,593 75	
Total Public Liabilities			107,995,158 72
			$122,060,752 70

ASSETS

Gold and Silver Coin, current	$ 2,048,850 29	
Dominion Government Notes	10,505,844 50	
Deposit in the Central Gold Reserves	600,000 00	
Notes of other Banks	888,169 00	
United States and other Foreign Currencies	75,885 41	
Cheques on other Banks	9,298,435 24	
Balances due by other Banks in Canada	1 85	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	2,842,921 01	
	26,260,107 23	
Dominion and Provincial Government Securities, not exceeding market value	17,499,251 23	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	4,024,226 16	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	2,503,881 73	
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover	5,278,335 44	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover .	2,397,405 51	
	57,963,207 29	
Demand Loans in Canada against the security of grain and flour	10,811,227 30	
		68,774,434 59
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	43,010,221 78	
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	728,950 45	
Liabilities of Customers under Letters of Credit, as per contra	2,259,008 25	
Real Estate other than Bank Premises	93,243 30	
Non-Current Loans, estimated loss provided for	314,354 46	
Bank Premises, at not more than cost, less amounts written off	6,123,472 00	
Deposit with the Minister of Finance for the purposes of the Circulation Fund	304,500 00	
Mortgages on Real Estate sold	19,442 19	
Other Assets not included in the foregoing	433,125 68	
		53,286,318 11
		$122,060,752 70

E. B. OSLER,
President.

C. A. BOGERT,
General Manager.

AUDITORS' REPORT TO SHAREHOLDERS

We certify that the above Balance Sheet is in accord with the books of The Dominion Bank, and that, in our opinion, it discloses the true condition of the Bank as at 31st December, 1923. We have received all the information and explanations we have required and all transactions of the Bank which have come under our notice have been within the powers of the Bank.

G. T. CLARKSON, F.C.A.
R. J. DILWORTH, F.C.A.
Auditors for the Shareholders.

Toronto, January 21st, 1924

Sir Edmund B. Osler, President, Vice-Presidents A. W. Austin and Sir Augustus M. Nanton, and Mr. C. A. Bogert, General Manager, gave the shareholders an interesting review of the Bank's affairs and also commented on matters of general interest in Canada.

The thanks of the Shareholders were tendered to Messrs. G. T. Clarkson and R. J. Dilworth, the retiring Auditors. Messrs. A. B. Shepherd, of the firm of Marwick, Mitchell & Company, and Percy C. Baxter, of Macintosh, Cole & Robertson, were appointed Auditors for the ensuing year.

The following gentlemen were elected Directors: Messrs. A. W. Austin, C. S. Blackwell, James Carruthers, R. J. Christie, R. Y. Eaton, E. W. Hamber, Wilmot L. Matthews, R. S. McLaughlin, Sir Augustus M. Nanton, W. W. Near, Sir Edmund B. Osler, A. T. Reid and H. H. Williams.

At a subsequent meeting of the Directors, Sir Edmund B. Osler was re-elected President, and Mr. A. W. Austin and Sir Augustus M. Nanton, Vice-Presidents.

E. B. OSLER,
President,

C. A. BOGERT,
General Manager.

THE FINANCIAL POST

Member of the Audit Bureau of Circulations.

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PUBLISHED BY

THE MACLEAN PUBLISHING COMPANY, LIMITED

143-153 University Avenue, Toronto.

MONTREAL, Southam Building, 126 Bleury St., F. S. Chalmers; WINNIPEG, 610 Confederation Life Building, E. H. Hawkins; BOSTON, 734 Old South Building, C. L. Morton; NEW YORK, Room 1606, St. James Building, 1133 Broadway (Corner 26th Street), A. R. Lowe; CHICAGO, Room 1004, Federal Life Building, 168 North Michigan Boulevard, Phone Dearborn 8694; GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 88 Fleet Street, E. C., E. J. Dodd, director.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, FEBRUARY 1, 1924

Edited for the thinkers of the nation—those people who analyze correctly and draw proper conclusions and who are responsible for the Nation's sound thought on matters political and economic.

A TRULY NATIONAL FOREST POLICY

HON. JAMES LYONS, minister of lands and forests, of Ontario, in a speech in Montreal the other day, outlined his ideas of a proper forestry policy and the one he intends to initiate in Ontario. Mr. Lyons' policy would make a fine national forestry policy for Canada. He demands:

Better methods of cutting timber to make possible the utilization of all timber.

More extensive use of the by-products now wasted.

Proper methods of slash burning to prevent forest fires.

An end to the slaughter of young trees for shipment to the big Canadian and American cities at Christmas time.

An embargo on the export of unmanufactured wood.

Mr. Lyons stated that the province of Ontario intended to start at once on a survey of the timber and water-power resources of the province in order that proper steps might be taken to provide for the reproduction of timber. He said also that re-forestation methods would be studied and that broader efforts would be made towards combating the menace of fire. To that end twelve or fifteen flying boats would be in use next summer and these would patrol the forested areas of Ontario daily. Quick detection of fires is essential to prevent their spread and airplanes would find the fires quickly.

Last year, said Mr. Lyons, more than 2,000,000 acres of forest land was burned over, 45 per cent. of it new timber or second growth. It cost the province $1,100,000 to fight forest fires or one-third of the whole provincial revenue from the forests.

The need for a national forestry policy for the Dominion of Canada that would protect the capital invested in the lumbering and pulp industries of the country has long been urged. Canada has many millions of dollars invested in her forestry industries and thousands of people find employment in these industries. Yet the entire superstructure of the forestry industry of Canada is in danger—definite, real, present danger. Unless drastic measures are taken to insure a future supply of raw material for these industries they will wane away in the years to come.

CUTTING COST OF GOVERNMENT COMMISSIONS

THERE are dangers in government by commission. The idea of appointing bodies of experts to inquire into conditions which are little understood by politicians and make recommendations to parliament is good. Many of the commissions have done and are doing invaluable work. But like many good ideas it is open to dangerous abuses. Commissions may be appointed to investigate where the only effect is to disturb and hamper business. Political pot-hunters may be appointed merely as an excuse to put them on the public pay-roll. And the life of the commission may drag on indefinitely as the commissioners run up heavy bills of expense in order to keep them in jobs at fat salaries.

The Canadian grain marketing industry provides an example of interference with business which has been harmful and has shown no justification—other than politics. Examples of drawn-out inquiries by globe-trotting, joy-riding investigators have been many. Canada is not alone in facing the commission evil. George E. Roberts, vice-president of the National City Bank of New York, declares that "the tendency of these supervisory commissions is to become persecuting functionaries, looking for opportunities to justify their existence in a sensational way rather than working quietly upon the problems of economic re-organization." Referring to investigations of the grain business he says that "the entire system of prices is an automatic means of regulating production and of directing the activities of labor into the channels in which it is most needed; it is impossible to set up a government system that will be an effectual substitute."

In the United States the commission evil is even greater perhaps than it is in this country. Canada will be wise to profit by the example provided and the advice of Mr. Roberts. Commissions should only be appointed where there is a real problem to be solved; the commissioners should qualify by their experience and knowledge and not because of party service; and the appointment might well be accompanied by a reasonable limitation of the expenses to be involved with a definite date as to when a report will be expected.

FARMERS ARE POOR RETAILERS

AARON SAPIRO, the man who organized the orange growers of California and helped with many other similar co-operative marketing organizations in the United States, told the Canadian Club in Toronto that practically all attempts of producers to conduct some other type of business than their own, such as retail stores, have been failures. This bears out what has happened to the U.F.O. stores in Ontario, that have recently been closed out, causing a very heavy loss to the United Farmers' organization which established them a few years ago, says the Canadian Grocer.

Mr. Sapiro claims it is a great mistake for farmers to go into retailing. They should "attend to their own knitting," which included producing as individuals and marketing their products collectively as an institution. Because a man followed a plow and looked at the hind end of a horse all day was no reason why he could make a success of any other business.

WHY NOT TRADE WITH SOUTH AMERICA?

TAKING the average through a number of commodities, Canadian exports to Brazil are at a disadvantage of about 8 per cent. in tariffs as compared with American goods. There is much Canadian capital invested in Brazil but because of the tariff preferences to the United States, Canadian manufactures do not follow the money as might have been expected. A similar situation prevails in many South American republics.

Conversely, there is a similar situation. Canadian sugar refineries, Canadian importers of coffee and Canadian manufacturers of rubber goods cannot buy from Brazil as much as they would like because of the rates of tariff on goods entering Canada.

Considering the two facts, that Brazil would sell to Canada practically nothing but raw materials that we do not produce at home, and that she is a large buyer of manufactured goods, there would seem to be a wonderful opportunity for Ottawa to negotiate a trade treaty that would put Canada at least on a par with the United States in Brazil, and, for that matter, in other South American countries.

In such treaties might be found the future hope of the Canadian Government Merchant Marine. At present the government boats are trying to compete with established, privately-owned lines. By trade treaties the Canadian Government could divert traffic along new routes, such as between Canada and South America, and then provide the shipping accommodation with its government boats. This is the suggestion of a prominent Canadian business man who has tried strenuously to promote trade in his line between Brazil and Canada but has failed so far because of the tariff situation.

It is at least a matter for study on the part of the trade experts and tariff experts at Ottawa as to whether Canada is not, in her perfectly justified zeal for inter-Empire trade, overlooking the wonderful markets of South America.

E. W. Beatty, president of Canadian Pacific Railway, looks for a greater inflow of settlers in 1924 than in any year since 1913 when we had 402,432. Mr. Beatty thinks Canada's great needs are unity, men, capital and a forward policy.

THE DANGER OF DISRESPECT FOR THE LAW

SOCIETY on this continent, as represented by the forces of law and order, is to-day confronted with two dangerous and hostile elements. The first is the communist campaign in favor of mob violence, or direct action, as it has been euphemistically termed in Great Britain, involving the subversion of the existing form of government and the substitution for it of the rule of a violent minority. The second is a more insidious evil in that its mischievousness is not so apparent, and it has its origin within the body politic of democracy itself. It is the unveiled disregard of the law evinced by many whose first care it should be to uphold respect for it.

Instances of the latter evil, lately mentioned to THE FINANCIAL POST by a leading educationist are, the smug satisfaction which many reputable citizens display at escaping detection in breaking the speed and traffic laws, and the readiness with which the regulations with regard to liquor are set at naught.

A few years ago the stigma attaching to anyone haled before a police magistrate, no matter how trifling the charge, was one which no reputable citizen would willingly incur. To-day those who transgress the speed or liquor laws (and many respectable and otherwise law-abiding citizens are transgressing them every day) not only receive no censure from their fellow citizens, but are more often regarded as heroes whose only failing has been to be caught.

The point we are concerned in emphasizing is this: On the one hand we have the citizen who would be horrified at the thought of condoning revolutionary principles but who considers it right to disregard certain laws with which he is not in sympathy. On the other hand is the man who advocates the abolition of all laws of property and ownership, because he disagrees with them. If the first man is justified in breaking the particular laws which are irksome to him, how can he deny the same right to the other man?

The inculcation of respect for duly constituted authority is an urgent matter which claims the careful attention of all school teachers and clergymen. It is upon the young and plastic mind that the necessity of compliance with laws made by the people themselves can be most effectively impressed, and therein lies the danger to society and to democracy of the false teachings and revolutionary doctrines with which the children of scores of our schools and the youth of some of our universities are being stealthily inoculated.

EDITORIAL NOTES

THE most successful general manager of the U. S. Farmers Co-operative Associations handling tobacco in the Southern States receives $55,000 yearly salary. The Canadian Manufacturers' Association balk at so good a man for general manager of a vastly greater and more important organization.

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IN GREAT BRITAIN taxes are bulked as compared with Canada and the United States because there is no administrative unit corresponding to the provinces and states. When this is taken into consideration the taxation in Britain does not loom so huge in comparison, says Dr. H. L. Brittain, managing director of the Bureau of Municipal Research.

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THE defeat of Premier Baldwin and his preferential trade plans adds point to the observation of the Vancouver Sun that "we Canadians, instead of getting down to the economics of trade, have been waiting for England to pass preferential tariffs; we pay too much attention to ultra-Imperialists with their plans of Empire and not enough attention to such plain questions as, What, where and when do we eat?"

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OUT OF every dollar he receives for his product, the meat packer, according to the U. S. department of agriculture, pays 88 cents or thereabouts for his raw materials—the livestock raised on the farm. Out of the margin between what he pays and what he gets, the packer pays taxes, wages, all operating costs, and gets his return on his capital. The dollar on which the calculations are based, represents the packers' receipts from all sources, by-products and all.

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MANY improvements have taken place mainly in the last six months, during which the League of Nations' management of the finances of Austria has restored the country and stabilized her exchanges. This extraordinary recovery, which holds promise of continued improvement, may be some harbinger of what will take place in other European centres which, after all, may not be under as dark a cloud as Austria was, and need only international co-operation on the lines of sound business procedure to place them upon confident foundations. We might well ask in view of what Austria has done whether Germany has been trying.

Over-Staffed Civil Service Gouging Public of Tax Money

Every Department at Ottawa Over-Manned With People Who Have Little to Do—Dozens of Public Buildings Rented at Enormous Fees From Syndicates That are in Right

By GRATTAN O'LEARY.

The basis of Canadian debt and taxation is the profligate extravagance of federal administrations at Ottawa. It is a spirit of waste, a squandermania that permeates practically every department of our government. It is evidenced in everything the administration buys, or builds, or does. It is evidenced in the "Pork barrel," that penalty of partyism, by which governments not only soil the national honor, but sacrifice millions to waste. And it is found in the Civil Service to an extent that shocks and appals, says Gratton O'Leary in a review of Canada's terrible taxation burden, written for MacLean's Magazine. Mr. OLeary is one of the senior press correspondents at Ottawa, and one of the best informed of those who have been watching the doings of politicians and government officials in the nation's capital.

The growth, size, overmanning, housing, working hours, waste and inefficiency of the Civil Service (and no reflection is meant upon the many hundreds of excellent and often underpaid officials which the public service contains) constitute a national disgrace. I submit this brief table of its staggering growth and cost:

Fiscal Year	Number Employees	Total Salaries
1913-14	8,709	$ 8,163,361
1915-16	10,267	11,113,596
1918-19x	12,742	13,366,691
1921-22	14,739	23,149,511

Separate figures for the Inside Civil Service for the year 1923 are not available as yet. But, according to a return tabled in parliament toward the close of last session, the total number of employees in both the inside and outside services for 1923 was: Employees, 39,204; total salaries, $50,355,721.

These figures are truly staggering. These figures are for the Inside Civil Service alone; they do not include the thousands of employees of the Outside Service, where, especially during the past year, political patronage has been rampant.

How Taxes Have Grown

Twenty years ago the total taxation of the Dominion government was $43,389,112. To-day we are taking that much out of the people's pockets every two months. We are taxing them at the rate of about a million dollars a day, at the rate of over $40,000 an hour—about $800 for every tick of the clock. Eight years ago our sole federal taxation was through the customs revenue, and special taxation was unknown. To-day customs taxation is nearly twice what it was eight years ago, and we are imposing special taxation at a rate of three millions a week.

Canadians are paying at present a total of $900,000,000 a year in taxes to the various governments, Dominion, provincial and municipal. This, so far as can be ascertained, is about the heaviest taxation in the world. It means for nine million Canadian people about $100 per head, or for an average family of five an annual payment of $500 in taxes. Consider what $500 means to the income of an average Canadian family!

Highest Taxed of People

The British people are supposed to be the highest taxed in the world. As a matter of fact British taxation comes to just about the same as the Canadian—about $100 per head. National taxation is higher in Britain—the Briton pays $18 per year for defence as against about $2.50 paid by the Canadian—but Britain has no provincial governments, and their municipal taxation is lighter. Moreover, while the British taxpayer can look hopefully to a government which has shown that it can retrench, and which last year lightened his burdens, the reign of abandoned extravagance goes on unchecked in Canada, and there is no prospect of relief. That, indeed, is the terrifying thing about Canadian debt—it is always growing. It has grown by $100,000,000 since the present government took office. It grew last year. It will certainly grow again in this year.

Where do our taxes go? How is it that while other countries are paying their way and their debts and lightening taxation as well, Canada plunges on in an orgy of expenditure and debt? Where, in a word, is the waste; where the expenditure we could save?

In a second article in his startling series, Mr. O'Leary attempts to answer some of these questions. He points out:

1.—That, although the increase in the population of the Dominion between 1912 and 1922 was approximately twenty-five per cent., the increase in the population of the Civil Service during the same period was more than eighty per cent., and the advance in its cost nearly 250 per cent.

2.—That whereas the British government had, by the beginning of 1923, brought its civil service (despite enormous new administrative duties) to within ten per cent. of its pre-war total, the Canadian Civil Service at the end of 1922 was approximately fifty per cent. greater than in 1914.

3.—That in 1922 the Canadian Civil Service was greater by almost 2,000 than at the date of the Armistice, and was costing $9,000,000 more per year.

4.—That in the three peace years following the close of the war the number of civil servants and their cost to the country, instead of showing a decline, showed a steady increase; this despite the fact that more than $1,500,000 was expended in an attempted reclassification and reorganization; and that the Civil Service Commission, which was to end patronage in appointments and inaugurate a regime of efficiency, was in full force.

He gives a few illustrations of the overmanning of departments. Canada has a permanent militia force of 2,500 men. She has no air force worthy of the name. And she has a three-trawler fleet. Yet, according to the return supplied to Mr. Crerar in the House last session, (a return which quite clearly erred on the side of conservatism), it took 253 permanent Ottawa officials to look after these 2,500 soldiers and to administer that three-trawler fleet; and for their services the country paid them (apart altogether from the expenditure on rentals and fuel and all other overhead) no less than $493,854. In other words, there was one official or civil servant for every ten soldiers, and the salaries of these officials averaged about $1,900 a year. Twenty years ago, when we were just as much prepared for war as we are to-day, the Department of Defence contained but thirty-six officials and cost the country but $45,000 a year. In 1914 it contained but 130 officials and cost $147,000. To-day, despite the fact that this is one of the departments that is supposed to have been reorganized, and notwithstanding the further fact that it is very doubtful whether our military organization is any greater or more efficient than in 1914, there are twice the number of officials and the cost is about three times as great.

The Department of Railways and Canals, which no longer deals with railway costs, is costing the country more than ever before. The explanation is simple. It is, that while civil servants sometimes die, they seldom get fired or resign.

Trade and Commerce

There is the Department of Trade and Commerce. There are business men who tell you that this department represents nothing but futility. They say that it is divorced from the realities of the needs of Canadian trade; that, in a word, it is of little or no service to the development of Canada's commerce. Well, if that be so, it is not because the Department of Trade and Commerce is undermanned.

In 1912 the department had 43 officials with salaries of $49,193. In 1923 there were 602 officials with salaries of $625,689.

Take another department—the Interior. Twenty years ago this department got along with 231 officials who drew salaries to the total of $214,000 a year. By 1906 the number of officials had exactly doubled, and salaries had reached $382,000; and thereafter there was a regular deluge of new officials and expenditure.

No one will seriously argue that the administrative requirements of the Interior are any greater to-day than they were in 1913; yet the fact remains—as these figures show—that the department has increased its staff between that time and the present by more than 500 officials, and has advanced its cost to the public by about $1,250,000 a year. And this, be it remembered, does not include officials and salaries of the Interior Department in the Outside service, and has nothing whatever to do with the Department of Immigration. Taken all in all, it is one of the worst examples of overmanning in the government service.

Yet almost every department that may be picked at random tells the same story. Ten years ago the Department of Labor employed ninety-three officials and their salaries totalled $50,000 a year; to-day it has 198 officials who get $246,000 a year. Ten years ago the Department of Customs employed 192 Ottawa officials (this does not include the outside officials, of which there are about 3,000) and the annual salary payment was $261,000; to-day it employs 307 officials and the annual salary total reaches $582,000. Ten years ago the Department of the Secretary of State contained thirty-nine officials who received $56,000 in salaries; to-day it employs 133 officials with annual salaries reaching $203,000. Ten years ago it took ninety-two officials with annual salaries totalling $109,000 to audit the government accounts; last year it took 200 officials with salaries reaching $274,000 to do the same job.

And so on to the end of the chapter.

The Civil Service Commission was inaugurated to kill patronage and keep down overmanning in the service. It now looks as though it required a strong dose of its own medicine. In 1918—the year that it took over the Outside service—it had fifty-five officials and paid them $53,000 for the year. By 1919 it had grown to 109 officials and had an annual payroll of $139,000. In 1922 it had nearly 200 officials and paid them $290,000 for the year.

Labor is Lost

Civil Service hours are an imposition upon the public. Your civil servant goes to work at nine in the morning (it is more often 9.15), gets an hour and a half for lunch, and stops work at five in the afternoon. Thus his day consists of six and a half hours.

But that is not all. During the summer months of July and August civil servants cease work at four o'clock in the afternoon; thus working five and a half hours a day. In addition, they do not work on Saturday afternoons; never work on bank, national or church holidays; and get three weeks vacation and eighteen days of sick leave each year.

Putting it another way, civil servants work exactly 264 days out of the 365; and on fifty-two of those 264 days (Saturdays) they work only four hours. Thus, while the average man puts in between eight, nine or ten hours a day, thus working something like 3,000 hours a year, the civil servant is on duty exactly 1,480 hours. The rest of his time is for leisure at the expense of the man who works the three thousand hours.

Consider for a moment what this represents in actual dollars and cents. Taking an eight-hour day as a basis (and why shouldn't civil servants work eight hours?) and striking an average of 14,000 civil servants, the loss to the country each day, as represented by the six and a half-hour system, is 21,000 hours. 21,000 hours at fifty cents an hour (which is the average salary paid in the service) means $10,500 a day. And $10,500 a day carried over 264 Civil Service work days in a year, represents an annual loss to the tax-burdened people of Canada of $2,772,000.

Yet people wonder why taxes are high!

Scandal In Buildings

One evil begets another. And so overmanning and overwomaning of the Civil Service has resulted in a Civil Service housing condition that is one of its most shocking features. The visitor to Ottawa who contemplates the noble Gothic piles on Parliament Hill thinks he is looking upon the offices of the Civil Service as well as upon our legislative buildings. He is looking upon nothing of the sort. For the Civil Service is scattered to the four points of the Ottawa compass, huddled here, there and everywhere; housed wherever a political partizan has a building to rent. Ten or fifteen years ago the entire public service was housed in five or six large buildings. To-day it is housed under thirty-eight separate roofs, and scattered over twenty-five different streets—some of them miles apart.

In several cases the rent paid is absurd in its excessiveness. In some instances it is business-like and fair; but only political favoritism can explain the fact that in some cases—quite a number of cases—where rentals are paid at the rate of $1.25 a square foot the buildings are inferior to buildings rented at seventy cents a square foot.

Friends "At Court"

The cold truth is that in too many cases the landlords are friends of whatever government may be in power.

Scattered Over the Map

Civil Service departments scattered all over the Capital prohibit efficiency. The Justice Department is under five different roofs. The Finance Department and the Interior Department are each under three roofs. The Agriculture Department is actually in eight separate buildings scattered over six different streets. Imagine a minister or a deputy-minister wanting a file of his deparment and being compelled to despatch a messenger to bring it to him through a mile or more of city streets! Imagine a private business carried on in such a way! And year after year the position grows worse. More office buildings! More and bigger staffs! Less and less centralization! Less and less co-ordination! Ever growing inefficiency and waste!

The Civil Service Commission, which, in the belief of many, was to bring Utopia to the Civil Service, and make it efficient, beneficient and economical, has made little difference. Its personnel, its intentions and its integrity are unimpeachable. But, probably through circumstances which it cannot control, it is little more than a mill to turn out more civil servants. It is advertising for, examining and turning them out every week; and always the process is the same; men and women entering the Civil service by the score, and none—except the efficient—ever leaving it, except by death.

Civil Service Will Grow

True, there is a Retirement Act. It is an Act by which Civil Servants may leave the service upon certain terms upon reaching a certain age; but if it is used, Ottawa never hears of it.

The cold truth is that the Civil Service is growing steadily and will continue to grow steadily while the present system lasts. Under that system merit in the Civil Service does not operate. In a private business an executive head can hire, fire and promote his employees. In the government service a deputy head or chief of a department has no actual power to do any of these things. His employees are engaged for him by an outside body; their salaries are fixed by statute; they can only be fired by a government order in council.

And that is the fundamental defect of the Civil Service. That is why Civil Service numbers mount into a gigantic, unwieldy, cumbersome, incompetent machine. That is why Canadian taxpayers are gouged of $60,000,000 a year for Civil Service salaries. That is one of the cardinal reasons of a condition which, with allied evils, is at the root of some of the economic ills of this Dominion.

"HOP TO IT!"

(Medicine Hat News)

The Canadian Senate, after all, may have its uses. The Government, it is understood may call upon that body to investigate the Civil Service. The leaders of the Government and of both Oppositions favor the reduction of expenditures and therefore we may get some action through the Senate, without involving what may be termed the active political body. THE FINANCIAL POST claimed, the other day, that sixty million dollars a year could be lopped off the Civil Service pay-roll, without injury to the public. Under such circumstances the public will say "hop to it!"

PERSONAL

HARRY J. KELLY, for 33 years general superintendent of the Lackawanna plant, Bethlehem Steel Corporation, has been appointed general manager of the British Empire Steel Corporation. Mr. Kelly will be in charge of all the steel operations of the company. It is interesting to note that Mr. Kelly began his career as an errand boy in the Scranton mills of the old Lackawanna Steel Co., and in his new post will again be associated with George F. Downs, formerly president of the Lackawanna company.

NEW ISSUE

Dominion of Canada
Guaranteeing the
Canadian National Railway Company
Thirty Year 5% Bonds

Dated 1 February, 1924. *Due 1 February, 1954.*

Principal and semi-annual interest (1 February and 1 August), payable at the Office of the Minister of Finance and Receiver-General, Ottawa, or at that of the Assistant Receiver-General, at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary or Victoria.

Bonds may be registered as to principal only, or as to both principal and interest.

Denominations: $1,000 and $500.

Subject to Legal Opinion of E. G. Long, Esq., K.C.

These bonds are secured by the full credit and taxing power of the Dominion of Canada equally with its Victory Bonds and other direct obligations.

The Dominion of Canada guarantees unconditionally the payment of the principal and interest of the bonds of this issue, the Guarantee being endorsed on each bond.

PRICE: 99.50 and Interest

These bonds are offered for delivery in interim form when, if and as issued and delivered to us.

Orders may be telephoned or telegraphed to any of our offices at our expense. Bonds will be delivered to purchasers free of all delivery charges.

A. E. AMES & CO.
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The statements contained herein are based upon information which we believe to be reliable, although we cannot guarantee their accuracy.

INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

RIORDON BONDS

H. C. T., Oregon.—I am holding $2,000 Riordon Pulp and Paper 6 per cent. ten year bonds. As I understand it is to be closed up, can you tell me if it will be necessary to send a claim in to the receivers?

If you are a registered holder of Riordon Pulp and Paper bonds, it should not be at all necessary for you to notify the receiver or make a claim upon him. There will be a trustee under the mortgage covering the bond issue who will look after your interest and see that no improper claims are put in ahead of your security.

PEDLAR BONDS FAVORED

Investor, Hampton.—In the last two or three issues of THE FINANCIAL POST in the column giving quotations of unlisted bonds I notice Pedlar People 8% bonds due 1936 at around 101. Could you give me any information as to their denomination? Do you consider them a safe investment?

The business of the Pedlar People is well established on a sound basis, and the bonds are regarded highly in the industrial class, although, of course, you understand they are not as readily marketable as government or municipal bonds. The bonds are in denominations of $500 and $1,000.

Any reliable bond house will be glad to give you quotations on these.

QUEBEC POWER

W. T., Saskatchewan.—Kindly give me your opinion of Quebec Power, common and preferred, as a speculation.

The Quebec Power Co. is now in the control and management of the Shawinigan Water & Power Co., and with such financial backing, and with the benefit of the wide experience in power development and distribution of the Shawinigan officers, it must be regarded as having excellent prospects for the future. The city of Quebec is one of the oldest of Canadian communities, and yet is progressive in a commercial and industrial sense. There should be a growing market for power in and about Quebec.

TECK HUGHES

O. C. H., Hamilton.—I bought Teck Hughes at various times, it averages me around 65c. Would you hold a while longer or would you take your profit?

You have doubled your money on Teck Hughes and that is doing very well on a stock. Developments that are going on may provide another market rise, if they materialize favorably. You can gamble on that if you wish and hold further. It is the speculative chance of the stock.

The directors are: Charles L. Denison, president; R. W. Pomeroy, vice-president; Albert W. Johnston, George C. Miller, J. F. Thompson, Wm. W. Reilley, Conrad E. Wettlaufer.

MERCHANTS' CASUALTY CHANGES

Merchant, Moose Jaw.—Can you tell me if Merchants Casualty Co., Winnipeg, is reliable?

Following the failure of the Zenith Companies which controlled the Merchants' Casualty Company, last year, control of the latter was secured by a group of insurance and business men at Waterloo, Ontario, and the head office was moved to that town The assets at the close of 1923 were $450,367, as compared with $310,829, the previous year. The surplus to policyholders, including capital, was $159,441. As those in control of the company have had wide experience in the insurance field, and the company maintains the necessary government deposits and reserves required by law it should be satisfactory to insure with. The president is E. F. Seagram, vice-president, S. C. Tweed, and general manager, L. M. Fingard.

CANADIAN WOOLLENS

Broker, Saskatoon.—Kindly inform us through your columns your opinion as to the purchase of Canadian Woollens preferred and common.

Owing to the adverse conditions in the woollen industry the Canadian Woollens, Limited, has experienced difficulty in earning profits. The company has been unable to meet foreign competition in its products, and the reduction in preferential tariff has not aided the company's position. Profits for the past year were on a much smaller scale than the previous year, and the outlook is not at all satisfactory. There seems little chance of an early resumption of dividends, unless some unexpected favorable factors appear. The directors are: A. O. Dawson, president; W. K. George, 1st vice-president; F. B. Hayes, 2nd vice-president; Wm. Hanson; G. O. Perry; I. Bonner; F. R. Sweeney.

HOLLINGER

S. M. K., New York.—I am desirous of securing information regarding Hollinger. I have been offered the stock as security and am unable to obtain any definite information in New York.

We enclose a clipping taken from a special mining edition of November, 1923, in which we reviewed the financial position of Hollinger. Considerable progress has been made since that date. The new tube mills are partially installed and operating. Good progress is being made with the installation of the power plant which will make the company a self-contained unit. Hollinger's reserves are growing rapidly as is also its cash surplus. This latter will be reduced by mill and power commitments. However, there are indications that the question of an increased dividend is sure to soon come up. This will undoubtedly result in a further increase in the market price. The directors of the company are: N. A. Timmins, president; David A. Dunlap, vice-president; L. H. Timmins, John B. Holden, Jules R. Timmins, Dr. W. L. McDougald.

WOODS COMMON

Business Man, Elizabeth.—Would like your opinion of Woods Manufacturing common for a long hold.

Woods Manufacturing common over a term of months should be able to work up to a materially better level in the market than it holds at the present moment. There was a good deal of disappointment at the passing of the common dividend and the necessity earlier in the year of issuing bonds. To many people this was an indication that the company had been too liberal in its dividend policy in the past and has been disbursing as dividends earnings that should have gone to build up the working capital position of the company. In view of the fact that the company has for several years back been spending large sums on extensions and improvements without financing these over a long term, there may be some justification for this view.

It it doubtful if the earnings for 1923 will prove very gratifying. Despite larger sales, the company has suffered from low prices for some of its lines and from rising market prices in raw materials. Yet the company is strongly entrenched, has sound financial backing and should surmount the minor difficulties that it has recently had to face.

MANUFACTURERS FINANCE

Banker, St. Thomas.—Would you be good enough to give us your opinion of whether or not it would be wise to pay up arrears on stock of Manufacturers' Finance. The subscription was made through R. T. Scott, for shares in his concern. Do you consider the investment good or would you forfeit what is paid in?

Shareholders of Credit Alliance Financial, which is the company in which you purchased stock from R. T. Scott, have a much better chance of success with the Manufacturers Finance. This latter concern absorbed the other on a share for share basis. Last reports are that they are doing an excellent business particularly in piano paper, which was the original idea behind the organization. They also deal in automobile paper. If the purchase of Credit Alliance Financial shares was considered a good one at the time it was made, then it is a better one now. Manufacturers Finance is in good hands. Dividend cheques which would pay C. A. F. preferred up to June, 1923, are now being mailed shareholders. The directors are: Hon. J. A. McDonald, president; Hon. N. A. Curry; Hon. P. E. Blondin; Lieut.-Col. Boyd Anderson, C.M.G., D.S.O.; A. D. Macpherson; R. W. Elliott; M. S. Clarke; W. M. McDonald; R. E. Evans.

The Future of the Franc

Holders of French securities are worried regarding the decline of the franc. A Saskatchewan reader writes:

As history records that Scotch people usually favored the French; so true to tradition, I chose for investment French bonds (amount 25,000 francs). I may say I always admired a certain trait in the French make-up, similar to Scotch thrift, and I have great hopes that the nation will "come back." The great slump lately in the franc has caused me some anxiety. There is perhaps some real cause for the slump, that you might know. Would you be good enough to give me your opinion and any facts that might help?

The fact that France has been fighting single-handed in Europe for something that has not received the support of the other influential nations has been responsible for the steady decline in the franc. For some time Great Britain was associated with France in its efforts to enforce payment of reparation from the Germans, but British support became negligible, and it is understood that purchase of francs by the British government to the end of supporting the market for that currency ceased about the same time. The policy of France's leaders has not been such as to give encouragement to foreign holders of the franc or French bonds, and a systematic drive on the franc has been in progress for a long time.

Within the past few weeks the premier of France informed a Canadian business man that he expected a big improvement in the franc before the end of the present year. He stated that the French policy in the Ruhr had won out definitely, that there was now co-operation between the French government and the German industrial leaders, who had previously been fighting the French government, and that production in France would commence to move upwards very shortly. This is an optimistic view and has probably a tinge of propaganda in it.

At the same time there are no outward signs of any economic or political reasons for the collapse of the franc; even the recent downward movements seem to have gone farther than was justified by any circumstances that are widely known. The future of the franc is in the hands of the French people themselves, and there is reason to believe that they will eventually, if not immediately, take steps to prevent further collapse of the franc, and, in fact, to effect a great improvement. In any event, there should be no reason why France would deliberately depress its currency as Germany did for political and economic reasons.

Getting 8 Per Cent. on Stock Investment

F. A. H., British Columbia.—I have $1,500 I would like to place in a permanent, safe investment, to yield not less than 8 per cent. Looking through your stock list I find that the only preferred stock that will yield 8 per cent. at present prices is Winnipeg Electric Railway. For how many years has this company paid 7 per cent. dividends on its preferred shares? If their franchise is not renewed in 1927 but the line is taken over by the city, how would this affect the holders of preferred stock?

The original issue of preferred stock of the Winnipeg Electric Railway was made three years ago. As the issue amounted to $3,000,000 and the company has done further financing since, it has been difficult to maintain a strong market for their stock while it is becoming thoroughly digested and getting into the hands of investors who place the security among their permanent holdings, and this has to a certain extent contributed to the fact that it has been sellnig so much below par. Moreover, the original issue was made at 90 to yield 7¾ per cent. and carried a bonus of 30 per cent. in common stock, which, of course, does not go to the purchasers of the preferred stock in the open market. As the common is selling at around $29 a share, it will be seen that the combined value of the preferred stock and the bonus of common stock that was given with it when it was sold is three or four points above the original issue price.

Winnipeg Electric Railway should have an excellent future, for it is a soundly organized and well-managed public utility operating in one of the largest and most progressive Canadian communities. We do not believe that the question of the renewal of the franchise is of great importance in discussing the future of this stock. If the franchise is not renewed and the city in 1926 notifies the company that its tramway lines will be taken over, a fair price will have to be paid to the company for the property, this price being based upon the valuation of the tramway as a going concern. The cash received in this manner would enable the company to pay off practically all its bonded indebtedness, leaving the gas system, the electrical distribution system and a fifty-six per cent. interest in the Manitoba Power Co. as equity behind the preferred and common stocks. In this case, the Manitoba Power Co. would probably become a holding company, or at least the important company in the group. Its prospects are so favorable that from the power end alone the Winnipeg Electric Railway has an attractive appearance. On the other hand, should the company retain its street railway lines, its present position would not be altered.

Earnings for the twelve months ended November last were about $7,000 less than in the previous year but totalled about $692,000 after payment of bond interest, or about three times the preferred interest requirements. This, of course, was before depreciation, taxes, reserves, etc.

You point out in your letter that you are looking for a permanent investment of a safe nature that would yield not less than 8 per cent. You should realize, of course, that any investment that returns as high a yield as 8 per cent. will usually be found to have certain speculative features that remove it from the status where it could be called entirely safe. Winnipeg Electric, while having possibilities that mark it out as good speculative investment, is not in the class you mention. The fact that it went through considerable period of difficulties during the war and after that reduced its cash position and made necessary considerable amount of financing indicates that the company has not yet established itself on the highest plane of investment safety. Moreover, the preferred stock is not to be regarded as of the best type when the common stock is not on a dividend basis and when the stock market valuation of the common stock is as low as in the case of Winnipeg Electric. This reflects the small margin of equity behind the preferred. These comments are thrown out not to deter you from purchasing Winnipeg Electric Railway if you are willing to accept the certain amount of risk involved in return for the high yield on the security, but in order that you may have a clear conception of the nature of your investment.

CURRENT OPINION

NOT ALL ALIKE
(Hamilton Herald)

Bishop Fallon's indictment of our banking system is somewhat too sweeping. When he accuses Canadian bankers of "gambling with our earnings and telling us to go whistle when the crash comes," he is unfair to honorable bankers. They do not all deserve the episcopal lash.

ONTARIO SHOULD ACT
(London Advertiser)

Russell T. Scott, with $40 and a few clothes to his credit, is in trouble in Chicago. He is not yet 30 years of age, but has handled and lost a lot of easy money.

He figured in several nasty cases in Toronto and Hamilton, one of seduction and another breach of promise.

He is one of those individuals who prefer that hard work shall be done by other people. His time for action comes after other people have worked hard and secured the rewards for their labor. It was his policy to step in then and take the money away from them.

His business was selling bonds. He preferred the word "bonds" to anything else. He was able to drag an official of the State of Michigan over to a dinner in Toronto, where he told the guests "If all investment companies were like R. T. Scott & Co., there would be no need for blue sky laws."

He was allowed to operate in Ontario, but when he tried to worm his way into the Province of Quebec, officials there put the lid down tight, and he had to get out.

When is Ontario going to come to the stage where it has as much sense in putting the boots to unworthy financial adventurers as Quebec, Saskatchewan and other of our provinces?

SOVIET AGENTS IN UNIVERSITIES
(Daily Standard, Kingston)

THE FINANCIAL POST claims that foreign and dangerous propaganda is being carried on in college halls under foreign inspiration, and particularly in the University of Toronto, but Sir Robert Falconer denies this. THE POST does not deal in generalities, but gives chapter and verse for its charges.

It is not at all likely that THE POST would risk its valuable and well-established reputation by making statements which could not be substantiated. It points out that Mr. Samuel Gompers, the President of the American Federation of Labor, specifically and severely denounced the League for Industrial Democracy, the Workers' Educational League, and a number of other organizations, working independently but directed secretly from one centre. He specifically named several men at the head of the League for Industrial Democracy and described them as "aiders and abettors of revolutionary organizations operating in this country." At the recent annual meeting of the American Federation of Labor, with nearly three million members in the United Staes and Canada, this group was severely condemned, and William Dunne, one of its advocates, was expelled from trade unionism. At the same time, the convention opposed recognition of Soviet Russia. Frank Hodges, the great European trade union leader, was present, representing British labor, and took particular pains to condemn this group and their policy, which, he said, was a product of Asiatic minds and had no possible association with British or American moral ideals.

That is pretty good evidence; but it is capped by the exposure made by a committee presided over by no less a person than Mr. Elihu Root, and consisting of such men as Mr. Nicholas Murray Butler, president of Columbia University, Professor Talcott Williams, Morgan J. O'Brien, formerly judge of the New York Court of Appeal, ex-Ambassador Oscar S. Straus, the renowned John Hays Hammond, and several other men equally prominent in university, business, financial, industrial, and labor circles. This committee has been fighting the League for which Sir Robert Falconer vouches. It is not our intention to go into the question fully: but so far THE FINANCIAL POST appears to us to have by far the best of the argument, and it must not be forgotten that as the Dominion Government has evidence of the activities of the Reds in Canada, there is little doubt that their insidious work would not be omitted from the universities. The matter can be easily seen to be of vast importance to all Universities.

Bell Telephone Rights
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We shall be glad to give holders, at their request, information on these rights.
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Dealers in Canadian Bond Issues
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We Specialize in Western, Provincial, Municipal and School Bonds
Lougheed & Taylor, Limited
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LIMITED
Investment Bankers
MONTREAL QUEBEC OTTAWA
Quebec Municipals and Industrials a Specialty

Our February Bond List
With the Dominion Guaranteed 5% Loan practically disposed of, and as most recent Provincial and large Municipal issues have been sold in the United States, (due to the strength of that market) it is probable that the shortage of high-grade bonds in Canada will become even more pronounced.
Fortunately, however, our February Bond List offers, at attractive prices, an even wider and more comprehensive list than usual, and we suggest that you write immediately for an advance copy.
It will be gladly mailed upon request.
36 King Street West, Toronto. Telephone Main 4280.
Wood, Gundy & Co.

A Good Bond is Better Than Gold
Gold in a vault is worth its face value only in 20 years or more.
A good bond in that period is worth its face value plus 5 per cent. or more for every year.
Ask for our list of offerings.
JOHNSTON AND WARD
14 King Street East, Toronto

OSLER & HAMMOND
Stock Brokers and Financial Agents
Members
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RSC INVESTMENT-SERVICE
A Public Utility Preferred Stock to Yield 6½%
THE 6½% Preferred Shares of the Ottawa Light Heat and Power Company, (on account of its long and successful record) rank high for security and income yield.
We have a few hundred of these shares to sell to investors at 100 to yield 6½%
Orders and inquiries invited.
Royal Securities CORPORATION LIMITED
164 St. James St., Montreal
Toronto, Halifax, St. John, Winnipeg, Vancouver, New York, London, Eng.

McDougall & Cowans
Members of the Montreal Stock Exchange
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STOCK BROKERS
HALIFAX ST. JOHN, N. B. QUEBEC
OTTAWA TORONTO WINNIPEG
MONTREAL
Direct Private Wire to all Branches and New York

NEW ISSUE

Dominion of Canada Guaranteed

Issued by the Canadian National Railway Company
5% Thirty-year Bonds

Dated February 1, 1924. Due February 1, 1954

These bonds are an unconditional guarantee of the Dominion of Canada, ranking equally with its Victory Loan issues and other direct obligations.

Denominations $1,000 and $500.

Price 99.50 and Interest
Yielding approximately 5.03%.

Subject to confirmation by us.

Gairdner, Clarke & Co.

312 Bay Street, Toronto, Telephone Elgin 2301
212 Dominion Express Bldg., Montreal, Telephone Main 8323

Your Home and Office Need Genuine

ORIENTAL RUGS

They are everlasting, satisfying, exquisite in colouring and moderate in price when bought from

BABAYANS Ltd. Canada's Largest Direct Importers, King & Victoria Streets, Toronto

The Wm. Cane & Sons Co., Limited

Offer $150,000.00 of 7% First Mortgage 20 year Sinking Fund Gold Bonds

Dated Dec. 1st, 1922. Due Dec. 1st, 1943. In Denominations of $100 and $500.

The average annual earnings of this Company over the past six years have been sufficient to pay the interest three times over on this issue. The Assets securing this issue are valued by independent appraisers at more than three and one-quarter times the amount of this issue.

The history of the Company is a fifty-year record of steady growth and prosperity.

Price 100 and accrued interest, yielding 7 per cent. Descriptive circulars on request.

The Wm. Cane & Sons Co., Ltd., Newmarket, Ont.

Working Capital Wanted

A company with 25 years' successful operating history requires $100,000 capital to make possible expansion demanded by the trade. Would be glad to show statement and plant to investment house which would handle stock. Would consider proposition to sell control.

Apply Box 5, The Financial Post.

THIS BOND *Yields*.... 8%

The issue is a First Mortgage on property and real estate valued at $1,799,000. This is equal to over seven times the amount of the issue. Earnings are at the rate of four times total interest charges. The security, therefore, is ample. In addition, the Principal, the Interest and the annual Sinking Fund are guaranteed. Payable in New York and Montreal.

Why not obtain full particulars to-day?

CREDIT-CANADA
Limitée
Established 1910

120 St. James St., Montreal

SEND ME CIRCULAR C-1
Name ....
Address ....

GENTLEMAN WITH CONSIDERable business experience and substantial funds at his disposal, is open to acquire control of sound financial corporation of moderate size. Communications will be treated with the strictest confidence and should be made in first instance to
BOX 6, FINANCIAL POST, Toronto.

The Canadian Converters' Co., Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a Dividend of One and Three-quarters (1¾%) Per Cent. has been declared on the Capital Stock of this Company, for the quarter ending January 31st, 1924, payable 15th February, 1924, to Shareholders of record at the close of business January 31st, 1924.

By Order of the Board.

THOS. M. BARRINGTON,
Secretary-Treasurer.

Montreal, 26th January, 1924.

The Canadian Bank of Commerce

DIVIDEND No. 148

NOTICE IS HEREBY GIVEN that a dividend at the rate of Three per cent. has been declared on the capital stock of this Bank for the three months ending 29th February, 1924, payable at the Bank and its Branches, on and after Saturday, 1st March next, to shareholders of record at the close of business on the 14th day of February, 1924.

The dividend payable on the new stock issued this month will be at the rate of two per cent. only.

By Order of the Board.

JOHN AIRD,
General Manager.

Toronto, 18th January, 1924.

The Royal Bank of Canada

DIVIDEND No. 146

NOTICE IS HEREBY GIVEN that a Dividend of Three per cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the 1st day of March next, to shareholders of record at the close of business on the 15th day of February.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., January 15, 1924.

Over 100%

Value in Mortgages on Toronto houses comprises part of the security for the bonds of the

Canada Housing
Corporation, Limited

Yielding 6.50%

Denominations: $100, $500, $1,000.

Full particulars upon request.

Rice, Gibson & Company
McKinnon Building
TORONTO ONTARIO

NEWS AND VIEWS ABOUT BONDS

DEALERS ARE BUSY PLACING BALANCE OF RAILWAY ISSUE

Trading is Dull and Prices Show Slight Weakness

The disposal of the Canadian National Railway $50,000,000 bond issue, which was awarded to a syndicate of Canadian bond houses last week, has absorbed most of the interest of the bond market. Following a period of steady demand for bonds since the turn of the year, prices advanced to new high levels, so that the railway bonds were offered to the public to yield 5.03 per cent. The whole issue was taken up by institutions and dealers in one day. The syndicate reported 60 per cent. sold to institutions, among which the banks bought heavily. Dealers are now engaged in distributing the balance of the issue to private clients.

Trading has slowed up considerably in the past few days and prices have shown some weakness, slight declines in Dominion issues being recorded. However, there is no sign of any material drop in prices. The contracted business operations have left the banks with a surplus of funds and little new financing of industrials is in sight, either for new projects or extensions. Hence idle money tends to flow into government and municipal bonds. There is reason to believe this condition will continue until a substantial improvement in business takes place.

Many important municipalities have secured enough money to carry them through the year and others are now calling for tenders on issues to clean up outstanding balances.

London Sells Privately

The city of London disposed of an issue of $246,000 five per cent. bonds due 1945 by private sale to A. E. Ames & Co. Although the price was not announced it is understood that the money cost the city 5.15 per cent.

Award Simcoe Bonds

The town of Simcoe awarded three issues of bonds totalling $85,443 to Mackay-Mackay at a price of 100.50, yielding 5.29 per cent. The bonds were 15, 20 and 30 year instalments and bear interest at 5½ per cent. The bids were:

MacKay, MacKay	100.50
Matthews & Co.	100.46
Nesbitt, Thompson & Co.	100.44
McDonagh, Somers & Co.	100.34
MacNeill, Graham & Co.	100.137
W. C. Brent & Co.	100.10
W. A. Mackenzie & Co.	100.085
C. H. Burgess & Co.	100
Wood, Gundy & Co.	99.45
Aemilius Jarvis & Co.	99.17

Stratford Issue

An issue of $40,000 5½ per cent. twenty-year bonds of the McLeod Milling Company, Ltd., guaranteed by the city of Stratford, have been awarded to Matthews & Company at a price of 98.60. The tenders were:

Matthews & Co.	98.60
McLeod, Young, Weir & Co.	98.37
Murray & Co.	98.25
Dominion Securities Corporation	96.77

Prince Rupert Bonds

The city of Prince Rupert sold $155,000 six per cent. debentures to Spitzer, Roderick Company, Toledo, Ohio, at 96.

Two issues of City of Brantford bonds totaling $461,000 were awarded to McLeod, Young, Weir & Co. at 98.91, a cost to the city of 5.15 per cent. There were $126,000 of 5½ per cent., 30-year instalment bonds and $335,000 of 5 per cent. 40 year bonds. The bids were:

McLeod, Young, Weir & Co.	98.91
W. A. MacKenzie & Co.	98.84
Bell, Gouinlock & Co.	98.72
MacNeill, Graham & Co.	98.51
Gairdner, Clarke & Co.	98.419
Bain, Snowball & Co.	98.356
Matthews & Co.	98.315
Murray & Co.	98.32
C. H. Burgess & Co.	98.284
R. A. Daly & Co.	98.27
A. E. Ames & Co.	98.151
Wood, Gundy & Co.	98.05
Dominion Securities Corp.	97.761
Harris, Forbes & Co.	97.564
Nesbitt, Thomson & Co.	97.685
A. Jarvis & Co.	97.698
W. C. Brent & Co.	97.208
McDonagh, Somers & Co.	96.63

	5%	5½%
Municipal Bankers' Corp.	95.35	101.90
National City Co.	96.23	103.09
Housser, Wood & Co.	95.64	101.70
Goss, Forgie & Co.	96.225	102.27
Dyment, Anderson & Co.	96.07	102.10
Zimmerman & Malloch	97.024	.....

Geo. Carruthers & Son, Windsor, were awarded three issues of town of Walkerville bonds, consisting of $30,000 20 year 5 per cent. bonds, $19.506 of 5 per cent. fifteen year bonds and $8.596 of 30 year 5 per cent. bonds, at $55,954.77. Tenders were also submitted by A. E. Ames & Co., Bell, Gouinlock & Co., W. C. Brent & Co., C. H. Burgess & Co., Gairdner Clarke & Co., A Jarvis & Co., W. A. Mackenzie & Co., McDonagh, Saners & Co., Wood, Gundy & Co., Nesbitt Thompson & Co.

TRAM POWER BONDS OFFERED AT 6.13%

Issue of $8,000,000 of Ten Year Notes to Refund Maturity of March 1

From Our Own Correspondent.

MONTREAL.—After sounding out both American and Canadian markets the new interests in control of Montrael Tramways and Power Company arranged to finance in Canada, and have sold $8,000,000 of ten-year 6 per cent. notes to George Beausoleil and Company. The proceeds of the issue will be used to redeem $7,300,000 of five-year notes, maturing on March 1

The new issue is to be offered at once, the price to the public being 99, at which the yield to the investor is about 6.13 per cent. A large syndicate of dealers is handling the issue.

The bonds will be secured by the same security that was put up as backing for the former issue of notes. or $7,000,000 of Montreal Tramways 5 per cent. debenture stock, and 21,000 shares of Montreal Tramways stock. Taking the debenture stock at around 80, and the common shares at about 155, the security behind the issue of $8,000,000 of notes is seen to be more than $9,000,000 of readily-negotiable securities.

It is understood that the company received about 95 for the bonds. As the proceeds retire an issue payable in New York, but which was sold only five years ago at 92 to redeem an issue then outstanding, it will be seen that the cost of continuous financing by short terms has been a serious factor to the company. This, despite the fact that the security offered to protect the former issues and the present issue, is of the highest calibre.

Ottawa River Power Issue Over-Subscribed

From Our Own Correspondent.

MONTREAL.—A heavy over-subscription was reported for the issue of $3.250,000 of 6 per cent. bonds of the Ottawa River Power Company. These bonds were offered by Nesbitt. Thompson and Company. with a bonus of common shares.

In the case of the Ottawa River Power Company, the earnings of this company are assured through a contract with the parent company, which owns 70 per cent. of the stock, and this contract guarantees sufficient revenue to provide the operating expenses, maintenance charges, bond interest and sinking fund requirements of the present issue. Also, within the past ten days, a new contract for 17,000 h.p. has been signed with the Ottawa Light, Heat & Power Company.

Amos Water System Bond Issue is Sold

MONTREAL.—For extensions to the water supply system in the town of Amos, a bond issue of $75,000 has been sold and is being offered to the public. Amos is in Northern Quebec in the centre of the Abitibi district. The bonds are being issued by the Amos Water and Power Company, and are offered by Browne, Urquhart and Company of Montreal. The issue consists of $75,000 of 7 per cent. first mortgage ten-year bonds, which, at par, yield 7 per cent. The company owns and operates the water-pumping system in Amos, with exclusive franchise until 1943, and also owns a power site on the Hurricana River.

The report for 1923 of the county of Essex shows the debenture debt as $385.079 and the current liabilities as $286,788. The total receipts of the past year were $1,849,236 and the expenditures $1,833,314.

OTTAWA IS OUT TO GET BUDGET BALANCED NOW

Making Railways do Financing is One Method That is Suggested

From Our Own Correspondent.

OTTAWA—The agitation for the balancing of the budget, for the reduction of both expenditure and taxation that has been going on is having effect, and there is good reason to think that all three are now in sight.

The balancing of the budget and a surplus has been made practically certain through Hon. J. A. Robb's action in making the Canadian National to do its own financing, backed, of course, by a government guarantee. This will reduce the drain on the treasury by probably $50,000,000, an amount equal to about 12 per cent. of all that the government collects in taxation.

The public accounts for the fiscal year ending March, 1923, show that the policy of paying all advances to the railways out of current account was responsible for failure to show a surplus last year. The truth is the government had so much money that it was led into doing unwise things. In 1922 over $14,000,000 in the way of maturing obligations on Canadian Northern account were met out of current revenue. When it is remembered that there were other advances of $55,000,000 for the railways it is soon realized what a drain this method of financing caused.

With the unloading of this heavy burden from the tax rate there is no good reason why, with due economy generally, taxation should not be reduced. There is good reason to think that it will be, for the government is well aware of the strength of the agitation against taxes.

In government circles the view is that making the railways do their own financing will promote economy in the management. There have been strong demands that the politicians leave the management alone, and now some of the politicians consider it only right that this should apply to financing as well as to other things. The average politician is so afraid of the outcry for lower expenditure and lower taxes that he is now only too eager to find some one else to carry the burden.

If the taxpayer is to get the full benefit of the probable surplus there will have to be an insistence that taxes be reduced; for around the corner there are a lot of people who have their eye on it for "pork barrel" purposes.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	96½	97
Alabama 5% 1962	69½	70½
Algoma Steel 5% 1962	35	38
Ames Holden 6% 1947	45	—
Belding 5% 1936	86	88
Brandram Henderson 6% 1939	88	—
Belgo Can. Paper 6% 1943	95	96
Brompton 8% 1941	—	—
Brompton 6% 1939	96½	99
Burns P. & Co. 6½% 1943	97⅝	99½
Bay Sulphite 6½ 1943	—	81
Calgary Brewing 5% 1942	76	79
Can. Steamship Lines 7% 1942	94	94½
Can. Light & Power 5% 1949	74⅝	75½
Chicoutimi Pulp 6% 1943	70	76
Consumers Gas 6% 1935	85	87½
Can. Nor Rly. Income 5% 1930	50	52
Can. Steel Foundries 6% 1936	97½	—
Can. Car (Scrip) 6% 1927	97	—
Dom. Iron 5% 1939	70	70½
Davies, Wm. 6% 1942	85	87
Dom. Power 5% 1932	91	—
Dom. Textile 6% 1949	102	—
East Koot. Power 7% 1942	97¼	—
Fraser Co. 8% 1941	103	—
Frontenac Brewery 6% 1951	—	84
G.T.P. 4% 1955	72½	—
G.T.P. Sup. 4% 1955	73½	—
Holt, Renfrew 6½% 1937	—	96
H. Smith Paper 7% 1941	98	98½
H. Smith Paper 6% 1934	98½	—
Lake Sup. Paper 6% 1941	103	—
Laurentide Pow. 5% 1946	96¼	97⅝
Laurentian Pow. 6% 1936	95	96¼
Maple Leaf Milling 6½%, 1948	98½	101
Maisonneuve 5% 1954	96	97½
Man. Power 7% 1941	100	100½
Mattagami 6% 1937	60	—
Mattagami Deb. 7% 1949	—	27
Montreal Tram. 6½% 1924	101⅝	102⅝
Montreal Pub. Ser. 5% 1942	81½	82½
Montreal Pub. Ser. 6½% 1924	99	100⅝
Montreal Steel Works 6% 1940	99	—
Montreal W. & P. 4½% 1932	89	—
Montreal W. & P. 5% 1932	—	80½
Nor. Ont. Power 6% 1931	91½	93
N. S. Steel 6% Deb.	71½	76½
Ottawa Gas 6% 1939	100	—
Ottawa Gas 5% 1934	—	99
Ontario Pulp. 6%. 1931	103	—
Price Bros. 6% 1943	99½	—
Paton Mfg. Co. 6% 1953	92	—
Provincial Paper 6% 1940	99¼	100
Porto Rico Ry., 5% 1962	65	68½
Quebec Power 6% 1953	94⅛	94⅝
Quebec Jacques 5% 1931	84	90
Shaw. Cotton 6% 1949	75	81
Shawinigan 5% 1934	101½	—
Shawinigan 6½% 1950	100	—
Shawinigan 6% 1950	103½	—
South Canada Power 6% 1948	99	99½
Spanish River 8% 1941	106½	—
St. Maurice Power 6½ 1953	103¼	104
Toronto Power 5% 1924	99½	100
Wabasso Cotton 7% 1947	97½	98⅞
Windsor Hotel 6½% 1943	100¼	101
West. Koot. Power 6% 1940	99⅝	—
West. Power 5% 1949	86⅝	87½
West. Power 7% 1926	96	—
West. Quebec Pow. 6½% 1931	—	86
Winn. Elec. 6% 1943	91½	93

BOND MOVEMENTS OF THE WEEK

Week Ending January 29.

Bonds	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Latest Price Ask	Latest Price Bid	High	Low
Asbestos	5	1942	6.65	90	79	83½	82	82	—	82	—
Bell Telephone	5	1925	540	101	97⅝	99¼	99¼	100⅝	99½	99¼	—
Can. Bread	6	1941	6.00	100	96	100	99	—	100	100	—
Can. Cement	6	1929	5.40	103½	100	103½	102⅝	103	—	103	102⅝
Can. Converters	6	1926	6.15	99½	99½	99½	99½	99½	—	99½	—
Cedar Rapids	5	1953	5.10	98½	98	98½	95	—	98	98½	95
Cons. Rubber	6	1946	6.10	102⅝	99	98⅝	98½	—	97	98⅝	—
Dom. Iron	5	1929	7.90	94	84⅝	86⅝	85	90	—	86⅝	—
Dom. Textile (D)	6	1925	5.70	100½	100	100½	100½	100½	—	100½	—
Lyall Cons.	6	1932	7.70	97	85	90	88	89	—	89	88
Montreal Trams.	5	1941	5.72	92⅝	87½	91⅝	91¼	92	—	91⅝	91¼
Quebec Rly.	5	1939	6.85	83½	68	83	80	83	81	82	80
Sao Paulo	5	1929	7.80	90¼	86	87	86½	87	86⅝	86⅝	—
Steel of Can.	6	1940	5.85	102½	99	101½	101	102	100	100½	—
Wayagamack	6	1951	7.75	86⅝	75	80½	79	80½	80	80	—
War Loan	5	1925	4.63	100.95	99.10	100.90	100.15	100.00	100.75	100.75	100.50
Do.	5	1931	4.85	101.80	99.80	101.00	100.15	101.05	100.90	101.00	100.75
Do.	5	1937	4.70	103.30	102.00	103.30	102.50	—	—	103.05	102.80
Victory	5½	1924	4.78	101.65	99.80	100.80	100.20	100.85	100.80	100.80	100.50
Do.,	5½	1927	4.70	103.50	101.60	102.95	102.15	103.00	102.90	102.95	102.60
Do.,	5½	1933	4.83	106.70	104.15	105.65	105.10	105.50	105.25	105.40	105.10
Do.,	5½	1934	5.17	103.90	101.30	103.80	102.20	—	102.70	102.80	102.50
Do.,	5½	1937	4.80	108.45	106.25	108.17	107.50	108.00	107.60	108.00	107.50
Do., Renewal	5½	1927	5.07	102.80	100.75	101.50	101.00	—	—	101.50	101.00
Do., Renewal	5½	1932	5.17	103.15	100.30	102.40	101.35	—	102.35	102.25	102.10
Do., Refund	5	1928	5.00	99.70	98.80	100.28	99.40	—	99.90	100.28	100.00
Do., Refund	5	1943	5.02	99.25	97.90	100.30	99.00	—	101.00	100.30	99.60

City of Swift Current

Notice to Debentures Holders

NOTICE IS HEREBY GIVEN that in pursuance of the provisions of the recent Creditors' Agreement, the City of Swift Current is now in a position to pay interest at the rate of 3% for each of the years 1922 and 1923 on all City and Schools Debentures.

All Debentures and Interest Coupons which have matured or which may mature up to 31st December, 1927, should be forwarded to the City Treasurer together with full particulars of all unmatured securities held. A "Certificate of Indebtedness" will be issued in exchange for all securities surrendered.

Dated at Swift Current, Sask., 22nd January, 1924.

R. M. McCAUL,
Chairman, Board of Supervisors.
D. SEATH,
City Treasurer.

Manufacturers' Finance Corporation, Limited

NOTICE OF DIVIDEND

NOTICE IS HEREBY GIVEN that Dividend Number Two (2) has been declared upon the Preference shares of the Company payable forthwith at the rate of eight per cent. per annum to shareholders of record as of the 30th day of June, 1923.

W. M. McDONALD,
Secretary.

BANK OF MONTREAL

NOTICE IS HEREBY GIVEN that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this institution has been declared for the current quarter, payable on and after Saturday, the FIRST day of MARCH next, to Shareholders of record of 31st January, 1924.

By Order of the Board.

FREDERICK WILLIAMS-TAYLOR,
General Manager.

Montreal, 22nd January, 1924.

Matthews & Co., Limited

GOVERNMENT, MUNICIPAL and CORPORATION BONDS

Toronto General Trusts Bldg.
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Our Mining Department has a complete Statistical Bureau. Write us for information.
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TORONTO
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Forty years' experience in the field of Investment Securities qualifies us to furnish our clients with detailed particulars and sound financial advice concerning each and every market offering.

We invite your enquiries in this regard, and, if requested, we will gladly offer suggestions for a profitable re-adjustment of your holdings.

You incur no obligation by writing us and our entire organization is at your service.

HANSON BROS.
Investment Securities
160 St. James St. Montreal
63 Sparks St. Ottawa

Canadian Northern Railways

5% INCOME DEBENTURE STOCK

DUE MAY, 1930

Secured by mortgage covering undertakings and railways of this system, which is owned and operated by the GOVERNMENT OF THE DOMINION OF CANADA.

It is estimated that these lines will be self-sustaining in a few years, which opens up the possibility of a resumption of interest payments.

These debentures may now be obtained at prices to return an increase in capital of nearly 90% in less than 6½ years and as the return is in the form of capital appreciation, the tremendous profit is NOT SUBJECT TO INCOME TAX.

Write at once for particulars, as an advance in price is imminent.

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LIMITED
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17 St. John St. Montreal
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FOR BOND QUOTATIONS SEND TO

Toronto Bond Exchange
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DOMINION BANK BUILDING
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ARE YOU IN NEED OF CAPITAL?

We are prepared to assist you in securing the capital you require to make any good proposition successful, either by loan, partnership, syndicate, incorporation or otherwise.

DOMINION BROKERAGE COMPANY,
331N Federal Building, Toronto.
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"Yours Faithfully"

This old phrase once really meant something—the writer pledged himself.

We have spent both time and money to build an organization of men able and determined faithfully to care for the investment needs of our clients.

Such service is yours to command.

Over 22 years Investment experience.

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Incorporated
Montreal—198, St. James St.
Quebec—74, St. Peter St.
(ESTABLISHED 1901)
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GOVERNMENT AND MUNICIPAL BONDS
McKinnon Bldg. TORONTO
Telephone Adel. 3871

MARITIME SECURITIES
Bought, Sold, Quoted.
Thomas, Armstrong, & Bell
LIMITED
1-3-5 Market Square. St. John, N.B.

Let Collateral Certificates Protect You

The matter of business failures is of grave importance to you; more so, is the means of ensuring freedom from the losses entailed.

Write for booklet, "Lessening Credit Losses."

MERCANTILE BONDS LIMITED
Temple Building
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We trade in
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STOCKS AND BONDS
G. C. Williams & Co.
6 King St. W., Toronto
Phones: Adel. 1762-2048-4521

THE ROYAL TRUST Co
EXECUTORS AND TRUSTEES

CIVIC AND PROVINCIAL FINANCE

ALBERTA CITIES SEEKING LARGER SHARE OF TAXES

Claim Provincial Government Exploits Their Civic Rights

The very definite charge is made by Alberta cities that the provincial government is exploiting their civic rights, and a delegation has just taken up this matter with Premier Greenfield and his cabinet. The chief allegation made is that there is a lack of understanding on the part of the government in dealing with cities and that something will have to be done right away to relieve the financial situation or they will not be able to carry on. In fact, the government has been pretty plainly told that unless the cities receive a larger share of the taxes they will not be able to pay their interest charges and other liabilities, and the only alternative will be the appointment of several municipal receiverships.

This is how matters stand with the six Alberta cities, and the deputation did not mince matters in telling Premier Greenfield of the lack of understanding on the part of the government. It was pointed out that the government was exploiting taxing sources that belonged properly to the cities, with the result that the latter were greatly handicapped, and have each been brought to the verge of bankruptcy.

Western cities like Calgary, the government were told, had exhausted everything in the way of economies, earning capacities, and borrowing powers. Controllable expenditures had been kept down to the minimum, but still they were finding themselves in a greater hole than ever. All this was put in a very definite manner before the government.

The position taken by Premier Greenfield was a flat denial that the government was unsympathetic with the cities, or had neglected consideration of their difficulties. Heretofore there had been, he said, a lack of agreement among themselves as to the definite lines upon which they wished the government to act. This is taken to mean by the deputation that the matter, although a most serious one has been more or less side-tracked. It is not the intention of the cities, however, to allow the matter to rest where it is at present, and definite and concrete demands will later on be formulated and presented to the government.

A. P. B. Williams, Inc., New Investment House

MONTREAL.—A. P. B. Williams, one of the best known Eastern investment bankers, comes definitely back into the bond business again through the formation of A. P. B. Williams, Inc. Mr. Williams was formerly secretary-treasurer of C. Meredith and Company, Ltd., and subsequently manager of the United Financial Corporation, which grew out of the Meredith bond business.

Nelson Had Substantial Surplus Again in 1923

From Our Own Correspondent.

NELSON.—Regarding the financial situation of the city of Nelson, the Nelson Daily News states: "Nelson has certainly had two splendid years from a financial standpoint. Both in 1922 and in the year just passed large surpluses were able to be laid aside for work upon waterworks, isolation hospital, etc., which will have to be carried out during the next few years."

Oppose Unfair Levy Of Income Taxes at Regina

REGINA.—Now that the municipal income tax has followed the federal tax on incomes, the difficulties in collecting it begin to appear. In Saskatchewan, the original legislation provided only for its collection from wage and salary earners, and the levy for 1923 was made on this basis. This gave rise to a great deal of protest, and, in March, 1923, an amendment to the city Act was passed, extending the tax to include business taxpayers. As certain set-offs allowed to salaried persons were not available in the case of business men, a conference was called by Mayor Burton of Regina. A resolution was adopted to make representations to the government to have similar exemptions on account of property taxes in the case of assessments on business men.

Tenders and By-Laws

TENDERS WANTED

Feb. 4, Village of Fort Erie.—$17,000, 5½%, 20-yr. debentures. A. E. Seaton, Clerk.

Feb. 4, Campbellford.—$28,800, 5½%, 30-yr. debentures. F. W. Wood, Treasurer.

Feb. 4, Village of Cayuga.—$12,000, 5½%, 20-ins. J. A. Toohey, Clerk, Cayuga.

Feb. 15, Huntsville.—$35,000, 5½%, 20-ins. debentures. T. M. Cullon, Clerk.

Feb. 15, Sturgeon Falls.—$22,587, 6%, 10, 20 and 30-instal. debentures. L. Rod. Vannier, Town Clerk.

SASKATCHEWAN

Authorizations Granted by the Local Government Board from Jan. 17 to Jan. 24th, 1924.

School—Root, No. 4204, $1,600.

Telephones—Glenrose, $500; Pambrum, $2,000; Wurtzburg, $300; Naseby, $900; Venn, $16,000.

Debentures Reported Sold

Saskatchewan S.D. No. 18, $3,300, 10-yrs., 6½%, S. Fitzgerald, Saskatoon. Hohenloe R. T. Co., $725, 10-yrs., Cross & Co., Regina.

Montreal Power Pays Taxes; Hydro Goes Free

Another business leader threw out a warning to politicians that taxation is a heavy burden on national development, when Sir Herbert Holt, in his annual report to shareholders of Montreal Light, Heat and Power, said: "The taxation of your company is excessively heavy and openly discriminatory, as our operations are subject to heavy federal income taxes, whereas the provincial and municipal undertakings of Ontario, although on a similar commercial basis, not only enjoy immunity from provincial and municipal taxation, but under the federal law are exempted entirely frm income taxation. These taxes unfavorably handicap Montreal and the province of Quebec, and retard the attraction of new industries."

HIGHER REVENUE OF DULUTH-SUPERIOR

Improvement Indicated in the Physical Assets of This Traction Company

Increased revenue and profits were reported by the Duluth-Superior Traction Company as indicated in the following summary of the earnings statement for the past and preceding years:

	1923	1922
Total revenue	$1,933,337	$1,811,747
Oper. ex. incl. dep.	1,500,987	1,405,365
Net revenue	432,349	406,381
Passengers carried	31,343,815	32,036,900
Transfer redeemed	5,354,872	5,366,154
Oper. p.c. of rev. tax incl.	84.62	84.00
% on pref. paid ..	6.00	5.00
% on com. paid ..	1.00	.00

Comparative Statement of Gross

1913	$1,283,914.30
1914	1,313,564.11
1915	1,179,960.49
1916	1,424,429.01
1917	1,644,387.07
1918	1,686,485.06
1919	1,959,436.31
1920	1,945,887.21
1921	1,804,839.79
1922	1,811,747
1923	1,933,337

The company retired general mortgage bonds to par value of $29,000 under the sinking fund provisions. The general balance sheet shows assets aggregating $10,910,328. The road and equipment is given a valuation of $10,112,564, an increase of $100,000 from last year. Current assets are shown to amount to $228,248.

Tax Collections Were Higher at Moose Jaw

MOOSE JAW.—The city commissioners of Moose Jaw have just prepared and issued a comparative statement of the tax collections in the city during the years 1922 and 1923.

The statement shows that the amount collected during the past year was nearly $26,000 in excess of the collections for 1922, while the percentage of the total collections to the tax levy increased by more than two per cent.

The comparative statement as issued is as follows:

	1922	1923
Tax levy	$1,134,309.00	$1,137,052.00
Arrears coll. ..	193,756.48	205,789.97
Current coll. ..	780,221.62	794,175.38
Total	$973,978.10	$999,965.35

Refuse License to Run Rolling Store System

Some interest has been aroused among municipal officials by the refusal of the police commissioners of Toronto to grant a license to an organization to operate rolling stores in the city. The concern, known as the Home Service Stores, applied for pedlar's licenses for a number of trucks to carry and sell a complete line of groceries from door to door. The trucks were to be operated from a central warehouse, and each would have the groceries arranged on shelves so that the housewife could enter the truck and select what she desired.

The granting of the license was opposed by the retail grocers on the grounds that it would result in unfair competition with those who were maintaining well established businesses and contributing heavily to the city's revenues. It was argued that it would bring about a general upsetting of the regular methods of doing business. These facts weighed heavily with the commission, and the license was refused.

A similar plan was started by the Roly-Redy Stores two years ago and later abandoned.

Drummond Apartments Are Nearing Completion

From Our Own Correspondent.

MONTREAL.—Much progress has been made towards the completion of the Drummond Court Apartments, the largest apartment house in the British Empire. This was financed last spring by a group of Montreal investment houses. Four floors are now ready for occupation, and the remainder of the building can be occupied on April 1 next.

There are 123 suites in the building, and it is evidence of Montreal's tendency to apartments that 84 of these or nearly 70 per cent. of the total, have been rented, and about 80 per cent. of the total are spoken for.

SIMCOE HAS NO BONDS

The County of Simcoe closed the year with a balance of $2,383 on hand, the total receipts for the year being $804,175, including $290,000 current loans. The liabilities outstanding were $130,907, most of this being loans from the Bank of Toronto. The county has no bonds issued.

PRICES PAID FOR MARITIME BONDS SHOW CONFIDENCE

Market is Affected by Number of Bonds Outstanding

Much satisfactory comment in the Maritime provinces has followed the recent sale by the Province of New Brunswick of $800,000 of ten-year five per cent. bonds at 99.939, a cost basis of a fraction less than 5.02 per cent. This is claimed to be a record price in Canada for post war financing, even surpassing the sale made by the city of Toronto on a 5.08 per cent. basis. The facts are taken by Maritime leaders as indicating the exceptionally strong position of the province.

The province has reason to be proud of its record in this respect. While the fluctuating condition of the bond market makes it easy to engage in doubtful comparisons, it is a well-known fact in financial circles that the carefulness of the Maritime provinces in their financial operations and their refusal to be led into policies which pile up heavy debts has won for them the confidence of the biggest investors. While many maintain that increases in debt, if for so-called revenue producing purposes, do not exert any material effect on the financial standing of the issuing corporation, there is a peculiarly close relation of bond prices to the size of the outstanding debt. Prince Edward Island, with a gross debt of only $1,033,000 and sinking funds of $232,844, sold an issue of bonds in October, 1923, on a 5.19 per cent. basis, at a time when other provincial securities were selling considerably cheaper. In March the province of Quebec borrowed on a 5.085 per cent. basis, while in January New Brunswick had to pay only 5.24 per cent. for a loan.

Even though the general factor of security did not operate to any marked extent, the market on bonds of a province with fewer issues outstanding tends to be better than on those which are more numerous, especially in times of depression, as the market is never so likely to be flooded with selling orders.

N. S. INDUSTRY IS IN THE HANDS OF A LABOR LEADER

(Continued from page 1)

ence was held between the Sydney city council, the Besco officials and Barrett and Baxter re mining domestic fuel for Sydney and other Cape Breton towns. After changing front half a dozen times during the hour, Baxter finally declared the U.M.W. could not mine coal for themselves let alone the general public under the present conditions. What they were really doing was stalling for orders from Lewis, which may reach here in one week or one month.

Up to the present time, public sympathy has been largely with the miners, because the 20 per cent. cut proposed by Besco was considered unjust and unwarranted. But now that the company has dropped that clause, and offered the 1923 rates, the shoe is beginning to shift to the other foot, particularly in view of the fact that the Barret provisional executive is holding out for a 20 per cent. increase on the 1923 rates, or practically the 1921 peak scale.

Moreover, the city of Sydney is short of fuel. For this the people at first blamed the company, which has 50,000 tons in a bank at the steel plant, and which refused to sell this for domestic purposes, claiming it was all needed for maintenance work at the steel plant and that the city could import coal from Inverness. Mayor Fitzgerald declared he would not see the citizens freeze with lots of fuel at their back doors and said he would authorize seizure of the coal bank in spite of the provincial police.

Hon. D. A. Cameron, provincial treasurer, in a supplementary statement, agreed with the mayor's stand and declared that so far from interfering, he would send the provincial police to protect the mayor's men in their work.

But this favorable sentiment has been changed by the refusal of the U.M.W. executive to operate even one mine for domestic fuel. The government and the company guaranteed that such fuel would not be taken to the steel plant and that the men digging it should get the 1923 rates for the present, and be paid the difference if the miners eventually went back to work at a higher rate. This Mr. Barret turned down.

At the present moment it is perfectly clear to impartial observers here that the situation has changed—unless the U.M.W. backs down, and Lewis gets busy and makes up his mind what he is going to do, the continued existence of the U.M.W. in Nova Scotia is in danger.

Company in Better Regard

The provincial government does not relish the substitution of Indianapolis for Halifax as the seat of power; and one member of the cabinet has already told his friends that if Barret does not climb down and dig coal for domestic use, the government will take steps to bar Lewis and his mandates from the province altogether. Just how this is to be done is not clear, but the cabinet is grimly determined to put on end to the present farce.

Again, a large number of business men and newspapers, who have been slam-whanging the company for some time past, would welcome a reasonable excuse to climb back on the Besco band wagon.

The bulk of the miners would be willing to settle upon the 1923 rates, or at a small advance on those rates, but as frequently pointed out in these columns they now have less than nothing to say about it. The whole power is in the hands of Lewis with Barrett as his local mouthpiece.

If he decides to stick out for the 1921 rates, there is nothing in sight but a long strike. There may be a compromise, but in any event no agreement can be expected for ten days. If the coal shortage grows acute, the government may have to take matters into its own hands and operate one or more mines for a supply of domestic fuel.

NEW ISSUE

Dominion of Canada Guaranteed

Thirty-Year 5% Bonds

(Issued by Canadian National Railway Company)

Dated February 1st, 1924 — Due February 1st, 1954

Principal and half-yearly interest (1st February and 1st August), payable at the office of the Minister of Finance and Receiver-General at Ottawa, or at the office of the Assistant Receivers General at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary or Victoria, at the holders' option.

Bonds may be registered as to principal only or as to both principal and interest. Denominations: $1000 and $500

These Bonds are secured by the full credit and taxing power of the Dominion of Canada equally with its Victory Bonds and other direct obligations. The Dominion of Canada guarantees unconditionally the payment of principal and interest, the guarantee being endorsed on each Bond.

Your order, whether for a small or large amount may be telephoned or telegraphed to us, at our expense, and will receive prompt and careful attention.

Price: 99.50 and Interest

The National City Company
Limited
MONTREAL — QUEBEC — OTTAWA — TORONTO

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1923
The London Life's Year

New Business Written.......... $ 44,749,707—increase 20.5%
Total Insurance in Force.......... $151,780,810—increase 17 %
Income for the Year.......... $ 6,569,819—increase 19.3%
Assets.................. $ 23,074,169—increase 20 %

Features of the Year's Activities:

Interest Yield—6.84%, a gain of 6 points over preceding year.

Mortality Experience—37.2% of the expected, Ordinary Branch.

Added to Contingency Funds and Free Surplus—$409,589.42, largest gain in Company's history.

Overdue interest only one-tenth of one per cent. of investments.

A Copy of the Annual Report for the Year will be mailed on request.

The London Life Insurance Company
Policies "Good as Gold"
Head Office - - London, Canada

ADVANCE REPORT OF
The Empire Life Insurance Company

Business Written $1,428,475.00
Average Premium Per Thousand $30.00

No Death Losses in 1923

Surplus to Policy Holders over and above Government Reserve
Capital $61,330.00
Net Surplus $34,432.86 } $95,762.86

Officers:
M. P. LANGSTAFF, A.I.A., F.A.S., Managing Director and Actuary.
W. B. PEACE, Manager of Agencies.
J. ROSS PATERSON, Secretary-Treasurer.
H. C. PARSONS, M.A., M.D., M.R.C.P. (London, Eng.), Medical Referee.

Head Office: 12-14 Wellington Street East, Toronto

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
Jan. 25	Prince Rupert	Spitzer, Rorick Co., Toledo	6%	..	$155,000	96	..
Jan. 28	London	Locally	5%	1945	246,000	..	5.15
Jan.	Calvert Twp.	MacNeill, Graham & Co., Toronto	6%	20-ins.	10,000	103	5.65
Jan. 24	Saskatchewan Schools, etc.	Various	..	..	4,025	..	..
Jan.	Simcoe	McKay & McKay, Toronto	5½%	15, 20, 30-ins.	85,443	100.50	..
Jan. 30	Brantford	McLeod, Young, Weir & Co., Toronto	5, 5½%	30, 40-yr.	461,000	98.91	5.15
Jan. 30	Walkerville	George Carruthers & Son, Windsor	5%	15, 20, 30-yr.	58,121	$55,954	..
		Corporation					
Jan. 28	McLeod Milling	Matthews & Co., Toronto	5½%	20-yr.	40,000	98.60	..
Jan.	Cavendish Court Apartments	First Mortgage Bonds, Toronto	6½%	ser.	450,000		

Avoidable Failures

It has been recently affirmed that 75% of the business failures in North America need not have occurred. That is probably correct since so few people who enter business have ever considered the part Life Insurance can play in safeguarding one's business. Let us tell you how your business may be safeguarded.

THE GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE - WINNIPEG

STRICTLY A POLICYHOLDERS' COMPANY
Organized 1869. Opened for Business 1870.
Our Company was established on a purely mutual basis with the sole aim of securing for its members sound life insurance at a minimum cost. There are no stockholders. Profits are allotted to policyholders annually. All approved features are incorporated in our policies, including disability benefit and double indemnity in case of accidental death. The Company has a remarkable record of steady expansion in business, increasing payments to policyholders and growing assets, which last item includes a magnificent surplus—all of which is credited to the members of the Company. After testing other methods of profit-distribution, the management has decided to adhere to the annual dividend system. A very substantial increase in dividends has been decided upon for 1924.
The Mutual Life Assurance Company of Canada
Waterloo :: Ontario

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$80,000,000.00
Policies Issued from $500 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — G. R. COTTRELLE, Treasurer

About 250,000 Members
in Canada and the United States enjoy fraternal and every form of insurance protection in the Maccabees, operated on adequate rate basis. Attractive options. Policies, benefits and rates are fully explained in our free literature.
Write for it today to The Maccabees, Confederation Life Bldg., Toronto.
Insurance in Force: over $200,000,000
Join the Maccabees
Fraternity & Protection
Benefits Paid over $140,000,000

that Boy of yours
An Imperial Endowment will give him a proper start in life—whether you live or die.
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OF CANADA
HEAD OFFICE TORONTO

Shrewd Financiers
recognize the value of Life Insurance as a protection for their Investments and Business Interests.
The
DOMINION LIFE
Assurance Company
a well-established, strong, progressive Canadian Company issues policies to meet every need.
Head Office
WATERLOO, ONTARIO

INSURANCE FOR BUYER AND SELLER

CONTENTIONS OF PROVINCE UPHELD IN P.C. DECISION

Result of Insurance Case May Affect Other Businesses

A decision of great importance to the insurance community was rendered last week by the privy council, when it was decided that the supervising and licensing of insurance reciprocals centred in the provincial authorities. The report of the council's decision was contained in a private cable to Attorney-General Hon. W. F. Nickle. While it is based on arguments of the reciprocal case, the decision may have a far-reaching effect in settling points regarding the jurisdiction of the Dominion and the provinces over other business operations.

The appeal to the privy council was made by the Province of Ontario to determine the question whether it has the power to grant reciprocal fire insurance companies the right to do business in the province.

The case for the province was argued by V. Evan Gray, Ontario superintendent of insurance, last summer, and it is largely due to his efforts that the decision has been won by the province. With him was associated Hon. Geoffrey Lawrence, London, while the Dominion government was represented by E. L. Newcombe, K.C., deputy minister of justice at Ottawa.

History of Case

The case is the outcome of the passing of the Ontario Reciprocal Insurance Act in 1922. The validity of this statute was challenged by Dominion officials and the question was referred by the attorney general to the supreme court of Ontario for decision.

The appellate division of the Ontario courts decided partly in favor of the province, but not without conditions and reservations. So Ontario appealed, believing that the privy council, which had previously decided that the provinces could control loan companies, would also give them authority over the field of insurance.

The federal government insisted that reciprocals, which provide mutual insurance at cost for department stores, lumbermen, etc., should be made to get a Dominion permit and deposit $50,000, or some such amount. The Ontario law would dispense with the necessity of a deposit. Mr. Gray's contention was that the provinces had control of property and civil rights, and that the Ontario act dealt with these only. The Dominion officers contended that the law dealt with aliens, which come under the jurisdiction of the federal authorities. The cable does not indicate the extent to which the decision upholds the province, but it regards the Ontario law as dealing with the reciprocals in respect of their being insurance bodies rather than as alien organizations, even though they originate chiefly outside Canada.

Wider Application

The wider application of the decision has its origin in the provision of the British North America Act giving the provinces jurisdiction over property and civil rights. There are several phases of supervision which have not been clearly defined, one of these being the operation insurance companies. In 1910 the Dominion passed an insurance act but a decision given in 1916 rendered ultra vires certain clauses designed to regulate the contracts issued by insurance companies. In the following year the insurance act, 1917, was passed and the clauses which had been declared ultra vires were inserted in the criminal code. The effect of the present decision seems to be to exclude the Dominion from legislating in respect of the operation of a particular business either directly or by imposing criminal penalties.

The contention of the Dominion has been that it has supervision over companies which are granted charters by it. As a result of the rival claims a peculiar situation has arisen. Certain supervision has been exercised by both dominion and provincial departments over insurance, loan and trust companies, but the Dominion has been most active in the inspection, etc., of insurance companies, whereas the provinces have regulated the loan and trust companies to a greater degree. Yet in neither case has one admitted the authority of the other to supervision of the field in particular. It was found difficult to apply the claim for supervising chartered companies in the case of the reciprocals, as they are not chartered.

What practical results will follow the present decision cannot yet be determined. While the province has jurisdiction over reciprocals, the present attorney-general in Ontario opposed the act on the ground that reciprocals should make a deposit.

Should the full powers which the decision appears to give the provinces be enforced, some changes may result in the licensing and inspection of other insurance organizations. It may also apply to other businesses, such as grain, etc.

Alberta Only Province With Lower Insurance

While the practice of buying life insurance has grown rapidly among Canadians in the last decade, the statistics of the Life Insurance Sales Research Bureau for the past year show that it has not yet reached the volume recorded in the United States. It is estimated that the companies in Canada reporting to the bureau, having 85 per cent. of the ordinary insurance in force, secured $360,555,000 of new business during the past year. This is an increase of 17 per cent. over 1922, and averages $40 per capita.

In the United States, during the year, 5,833 million dollars of insurance was sold by the companies reporting to the bureau, an average of nearly $500 per capita, and an increase of 19 per cent. over 1922.

The increase which occured in the sales in the Dominion as a whole was shared by all the provinces except Alberta, which fell three per cent. behind its record of last year. The provinces of British Columbia, Nova Scotia, Ontario, and Saskatchewan showed more than the average increase for the country.

Confederation Life Has Big Increase in Surplus

The 52nd annual report of the Confederation Life Association presented at the annual meeting this week shows a substantial growth during the past year. Much attention was given to the conservation of old insurance, and while considerable success has been attained, plans are being arranged which it is hoped will result in still further improvement. The expense ratio for the year was substantially decreased, and the mortality rate shows an improvement even over the low rate experienced in the year 1922.

Loans on policies again showed an increase to $1,452,822, being $583,605 in excess of the amount paid off during the year.

Including bonus additions and revivals, the total new issues for the year amounted to $31,778,949, an increase over the previous year of $5,090,610, and the total insurance in force at the close of the year amounted to $168,383,791.

Revenue

The net revenue from premiums and annuities was $6,481,546, an increase of $803,666, while the net revenue from interest and rents amounted to $1,981,136, which was an increase of $163,721 over 1922. The surplus earned on the year's operations was the largest in the history of the association, and amounted to $1,208,387. The total assets at December 31, 1923, amounted to $36,889,701, being an increase over the previous year of $3,359,164.

The total death claims for the year, after deducting re-assurances, amounted to $1,060,925, a decrease of $89,163, compared with the previous year, and is 45 per cent. of the expected mortality.

Special attention was paid to investments throughout the year, some profitable bond exchanges being effected and mortgages being accepted only after careful scrutiny.

In his address the president, J. K. Macdonald, alluded to the unsatisfactory conditions in some districts, especially Western Canada, and the necessity of adjusting sales efforts to other parts.

London Life to Erect Head Office Building

A special supplement to the London Free Press outlines the growth of the London Life Insurance Company during the past 50 years. Starting in 1874, the company had a steady growth until 1918, when it issued 16½ millions of new insurance. Since the latter date the expansion has been rapid, the new business in 1923 being 45 millions. J. G. Richter, who was appointed general manager in 1883, is still a member of the board, and second vice-president.

Plans are under way for the erection of a large new head office building on Dufferin Avenue, facing Victoria Park. The company hopes to secure 50 millions of insurance during 1924, its jubilee year.

Record Year Reported at Excelsior Life Meeting

The production of new life insurance by the Excelsior Life Insurance Company increased by 12½ per cent. during 1923, according to the report presented at the annual meeting last week. The policies issued and revived reached a record total of $10,672,655, bringing the insurance in force at the end of the year to $52,362,809, an increase of $4,000,000. The net amount of premiums received, after deducting payment for re-assurances, amounted to $1,648,615, and including interest, rents, etc., total income was $2,197,015, an increase of $212,918.

The company reported a favorable mortality experience. The ratio of the actual to expected death claims in 1923 was 40 per cent., as against 46.9 per cent. in 1922, the payments to policyholders being $706,343. The assets available for the security of policyholders was $9,339,955, an increase of $965,237. Holdings of government bonds and municipal debentures were given as $2,381,225, the book value being $80,249 less than the market value. There was a slight decline in the average rate of earnings, as compared with the previous year.

The reserves against policy and annuity contracts were $7,352,257, an increase of $721,898 during the year. The unallotted surplus increased $184,141, and now amounts to $1,138,089. In addition, there is a contingency reserve of $100,000, reserve for depreciation in investments $75,000, and reserve for unreported death claims $15,000.

Head office salaries, etc., amounted to $69,211. medical fees to $17,122. government taxes to $30,806, investment expenses $19,608, dividends to shareholders $15,200.

Alex. Fasken, first vice-president, presided in the absence of the president, David Fasken, K.C. All the directors were re-elected.

REGARD INSURANCE AS AN AGENCY FOR INVESTING FUNDS

Endowment Policies Offer Safe Investment Service With Protection

Does the investment aspect of life insurance merit more attention than it receives? This question has brought varying answers to THE FINANCIAL POST, which reveal that many do not yet appreciate the sound investment qualities of insurance.

The first point on which there is general agreement is the safety of Canadian insurance companies. The words of Prof. De Morgan, that: "There is nothing in the commercial world that approaches, even remotely, the security of a well-established life insurance company," seem to have gained recognition with Canadians. The unbroken record of protecting policyholders by government deposits, and the reserve system, carries with it a weight of evidence which cannot be disputed. In emphasizing this, one authority says:

> Never has there been an instance where a policyholder has suffered loss through the failure of a regular life assurance company doing business under charter from the Dominion of Canada.
>
> All Canadian life assurance companies are subject to strict governmental supervision. The financial soundness of each one is rigorously tested, and the renewal of a company's license is made dependent upon the result of an annual examination into its affairs by inspectors from the Government Insurance Department.
>
> The Dominion Government has fixed a minimum standard of policy reserves to which every company is obliged to conform.
>
> In addition a government deposit of securities or cash is required to be made with the receiver-general by each Canadian life assurance company doing business in the Dominion.

These regulations apply also to foreign companies operating in Canada, and similar restrictions are imposed on companies operating under the provincial insurance departments. After present adjustments are completed, fraternal societies will operate on much the same basis.

The whole system is designed to give the public the maximum of protection. Yet in spite of this and the publicity which insurance has enjoyed, there are many who regard it merely as an agency for giving protection against the contingencies of death. Even insurance salesmen often forget to emphasize the investment features. Of course, the first reason for life insurance is protection. It establishes immediately an estate which is otherwise impossible.

However, a careful analysis of facts will show that insurance is more than protection. The growth of endowment policies has been so marked that several companies report higher payments to living policyholders than to the beneficiaries under death claims in 1923. In the case of the Manufacturers' Life, a special statement just issued shows total payments to policyholders on matured policies and dividends of $2,783,828, more than twice the death claims of $1,247,814. The tremendous assets of the companies are not being retained for death payments alone, as a large portion of the yearly distributions will go to living policyholders.

To those who have not yet realized the investment possibilities of the life insurance policies, these facts should carry a message worthy of attention. This applies with equal force to the business man and the laborer. The logic of the development is backed by history. To the young man minus mature investment experience an average return of 5 or 6 per cent. is often regarded with scorn. As he continues and succeeds in securing a generous share of worthless stocks his early attitude changes, and he faces the situation as it really is. Consideration of the records of life insurance companies will save many a young investor anxious hours. In the first place the investment policy of these companies is closely limited by law, chiefly to good bonds and first mortgages. Moreover, the money is placed by highly-trained and thoroughly-experienced officials, who make a study of this field. Following on this basis the general yield seldom reaches 7 per cent., and losses on individual investments are frequently reported. The investing of any one person can scarcely be on a higher basis of return without introducing speculative features.

The investment plans of insurance companies are similar to those of trust companies in general. In the case of the latter, many instances come to light where they have invested funds and returned to their clients a higher net income than they could hope to secure, after taking their remuneration for the work involved. The tendency toward lower rates on insurance, and the higher dividends paid on participating policies leads to the conclusion that much the same return may be expected by those insured. From this must be deducted the actual cost of carrying the risk, that is, the amount which must be taken from each premium to make provision for death claims alone.

Realizing these facts, many shrewd men are turning to endowment policies. One well-known business man told THE FINANCIAL POST that his two sons, who are associated with him in business, save little money outside their insurance. In each case this is nearly $50,000, much of it endowment, with the premiums arranged to require payments each month. In other words, as he expressed it, they employ the insurance company as a trustee to do their investing, paying a little extra for the guarantee of the whole prospective accumulations in the case of an early death. The charges for this service, he added, are very low, as immense sums are handled with a comparatively small staff and capital.

Waterloo Mutual Fire Gains Strong Position

The annual report of the Waterloo Mutual Fire Insurance Co., presented at the meeting last week, indicates the strong position which the company has attained. The total assets were $1,103,460, of which $1,003,641 were invested in bonds. Against this are liabilities of $4,748 unpaid losses, $206,003 re-insurance reserve, and a balance of $892,709.

The receipts for the year were $473,464, and the expenditures $390,039.

The company was established in Waterloo 61 years ago, and has experienced a steady growth and conservative management since the start.

INSURANCE LICENSE

A license has been issued to the British General Insurance Company to transact sprinkler leakage insurance in addition to the classes already written.

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1923 A PROSPEROUS YEAR

SUBSTANTIAL gains were made in every Department.

In round figures the amount of Assets increased One Million Dollars, Surplus and Income each increased a Quarter of a Million Dollars and Insurance in Force, Four Million Dollars.

Interest earned on investments was over 7½%

Favorable Mortality continued, being only 40% of the expected.

	1922	1923
Insurance in Force	$48,412,253	$52,362,809
Income	1,964,133	2,197,052
Surplus	1,244,399	1,487,739
Total Assets	8,080,260	9,043,276

EXCELSIOR INSURANCE LIFE COMPANY

HEAD OFFICE

Excelsior Life Bldg. - Toronto

DOMINION BANK ADDED TO ITS LIQUID ASSETS

Earnings Held Well Under the Prevailing Conditions

DEPOSITS DECLINED

Effect of Unfortunate Experience of October is Indicated—Increase in Taxes is Reported

Considering the general commercial and industrial conditions which have prevailed and the unfortunate disturbance of funds through the hysterical run of three months ago, the annual report of the Dominion Bank showing profits of $1,129,370, compared with $1,175,478 in the previous year, and $4,000 more than the $1,125,181 of two years ago, should be well regarded by the shareholders. The financial statement too is reassuring in that the position as regards immediately available liquid assets has been materially improved and this evidently without greatly affecting earning power. Increasing taxes cut heavily into net profits.

The contraction in savings deposits was $9,320,000 and in total assets $8,000,000. Current commercial loans were reduced by over $21,000,000, call loans abroad by $4,000,000 and call loans in Canada by $530,000, but loans of nearly $11,000,000 on demand against the security of grain and flour appear as a new item and materially strengthen the liquid position. Immediately available liquid assets were also increased to the extent of $5,600,000 by holdings of government securities. Investments in public securities increased by $2,215,000. Following are comparative figures from the balance sheet:

IMMEDIATELY AVAILABLE LIQUID RESOURCES

	1923 $	1922 $	Change
Specie	2,048,850	2,075,673—	26,823
Dom. notes	10,505,845	13,651,168—	3,145,323
Note cir. dep.	304,500	304,500	——
Notes, bk.	888,169	987,087—	98,918
Call l'ns ab'd.	2,397,406	6,460,938—	4,063,532
Bank bal.	2	46—	44
Do., ab'd.	2,842,921	2,344,978+	497,943
Gov. secs.	17,499,251	11,895,646+	5,603,605
Cheques	9,298,435	8,465,160+	833,275
Gold res.	600,000	1,700,000—	1,100,000
For. curr.	75,885	——+	75,885
*Demand loans	10,811,227	——+	10,811,227
	57,272,491	47,885,196+	9,387,295
% total assets	46.94	36.82+	10.12
% total liab. to pub.	53.52	41.27+	12.25
OTHER ASSETS			
Pub. sec.	4,024,226	1,808,367+	2,215,859
Other sec.	2,503,882	1,847,063+	656,819
Call loans	5,278,335	5,808,605—	530,270
Current	43,010,222	63,912,230—	20,902,008
Elsewhere	728,951	1,322,557—	593,606
Over. debts.	——	208,701—	208,701
Lets. of cred.	2,259,008	735,365+	1,523,643
Real estate	93,243	36,449+	56,794
Mortgages	19,442	22,171—	2,729
Premises	6,123,472	6,151,886—	28,414
Other assets	433,126	325,774+	107,352
Non-Curr. l'ns	314,354	——+	314,354
	64,788,261	82,179,168—	17,390,907
Total assets	122,060,752	130,064,364—	8,003,612
LIABILITIES TO PUBLIC			
Circulat'n	7,366,384	7,571,461—	205,077
Dem. dep.	19,992,611	20,119,810—	127,199
Savings	68,913,645	78,234,188—	9,320,543
Due banks	2,977,068	1,214,304+	1,762,764
Due else.	2,135,445	3,107,247—	881,802
Acceptances	——	735,365—	735,365
Bills pay.	12,404	184,240—	171,836
Due to Gov.	——	4,500,000—	4,500,000
Other liab.	338,593	488,112—	149,519
Advances	4,000,000	——+	4,000,000
Lets. of cred.	2,259,008	——+	2,259,008
	107,995,158	116,064,727—	8,069,569
TO SHAREHOLDERS			
Capital	6,000,000	6,000,000	——
Reserve	7,000,000	7,000,000	——
Dividends	240,219	241,474—	1,255
Balance	825,375	758,163+	67,212
	14,065,594	13,990,637+	65,957
Total liab.	122,060,752	130,064,364+	8,003,612

*Demand loans in Canada against the security of grain and flour.

The following summary shows the earnings for the year and the manner of distribution:

	1923	1922	1921
Profits	$1,129,370	$1,175,478	$1,125,181
Bal. for.	758,163	715,480	669,218
	$1,887,533	$1,890,958	$1,794,399
Dividends	720,000	720,000	720,000
Bonus	60,000	60,000	60,000
Pension	45,000	45,000	40,000
Gov. taxes	162,158	157,795	108,919
Premises	75,000	150,000	150,000
Balance	825,375	758,163	715,480
	$1,887,533	$1,890,958	$1,794,399

The earnings record for the past seven years is summarized as follows:

Year	xNet Profits	Div.	% on Cap.	% on Invest.
1923	$ 967,212	12+1	16.1	7.0
1922	1,017,683	12+1	16.9	7.4
1921	1,016,262	12+1	16.9	7.4
1920	1,188,511	12+1	16.8	8.7
1919	1,169,703	12+1	19.4	8.7
1918	1,086,498	12	18.1	8.1
1917	1,005,062	12	16.7	7.5

x Taxes deducted.

Big Increase Reported by Ontario Equitable

The fourth annual statement of the Ontario Equitable Life and Accident Insurance Co., Waterloo, for the year ending December 31, which will be presented at the annual meeting, shows a gain of $11,633,564 in insurance during the year. Life insurance in force at the end of the year totalled $24,840,903. The total assets amount to $1,431,605, while policy reserves and other liabilities stand at $1,274,892, leaving capital and surplus of $156,713. Total income during the year amounted to $555,079, of which gross premiums totalled $501,162. There was an excess of income over disbursements of $232,275. Government deposits for protection of policy holders total $254,000. The mortality for the year was 30.17 of the expected.

Reinsurance Co. Makes Satisfactory Growth

A satisfactory growth in business is recorded by the second annual statement of the Reinsurance Company of Canada for the past year. The gain of life insurance for the year was $1,682,375. Insurance in force on December 31 totalled $2,985,910. Total income for the year was $62,675, and excess of income over disbursements stood at $24,993. Total assets are given at $312,177, and policy reserves and other liabilities amount to $78,875. Excess of assets, capital and surplus stands at $233,302. In addition to life reinsurance the company secured a considerable volume of accident reinsurance, totals of which are not given.

Merchants' Casualty Co. Has Assets of $480,367

According to the annual report of the Merchants Casualty Company just issued, the company has assets of $450,367 and liabilities of $290,926, leaving capital and surplus of $159,441. The total income for the past year was $866,138, of which $730,474 was on account of premiums. The claims paid to date total $2,034,009. Of this $409,557 were paid in 1923.

ROYAL TRUST AT ST. JOHN

ST. JOHN.—Changes have been made in the personnel of the Royal Trust Company, in the Maritime provinces branches. H. J. Short, who has been manager of the branch of the company at St. John, has left the employ of the Royal Trust Company to assume the position of manager of the Moncton branch of Thomas, Armstrong and Bell, stock and bond dealers of St. John. Replacing Mr. Short in the management of the St. John branch of the Royal Trust Company is Edward Harley, who has been secretary of the Halifax branch of the Royal Trust Company. Some years ago, Mr. Harley was located in St. John with a stock and bond house.

MANY NEW HOTELS IN THE MARITIMES

Prospects for Big Tourist Traffic Are in Evidence in the Projects Being Planned

From Our Own Correspondent.

ST. JOHN.—Options have been taken on two hundred acres of land near Campbellton, N. B., the intention being to build a large summer hotel on the site, to be ready for occupancy at the opening of the 1925 season. The site is at what is known as Black Point, and is located on the Bay of Chaleur coast. Tentative plans are for a hotel containing four hundred rooms, and which will be one of the biggest summer hostelries in Canada.

In addition to this project, a hotel to be known as the Chateau Restigouche will be built at Dalhousie, N. B., the financing to be by New Brunswick people. This hotel will be on the Restigouche river, and will contain approximately two hundred and fifty rooms. Shares in the Chateau Restigouche Hotel Company have already been placed on the market. The work of construction will start early in the spring, and will be rushed through the summer. Another summer hotel to be added to the list in the Restigouche section is the Bay View House at Jacques River. It is to contain about one hundred and fifty rooms.

Golf courses will be arranged for the two larger hotels, the intention being to make the Black Point Hotel one of the most up-to-date summer hotels in the east. The Canadian National Railways system is said to be financially interested in the project.

In addition to these summer hotels an all-year hotel will be constructed in St. John under the name of the Admiral Beatty. The financing will be by local investors through the stock and bond brokerage house of Thomas, Armstrong and Bell. Operation will be through the United Hotels' system. This hotel will be the largest in the Maritime provinces, and will be built on the site of the Dufferin Hotel in St. John. Demolition of this hotel building, one of the oldest hotel properties in the Maritime provinces, is now in progress.

New summer hotels are also planned for Digby, Weymouth, St. Martins, Black's Harbor, Tignish, Shelburne, Liverpool, and other Maritime centres, the financing to be chiefly by Maritime investors.

Security Loan Had Higher Profits for Year

An increase in profits is shown by the 54th annual statement of the Security Loan & Savings Co. of St. Catharines. Following is a summary of the figures from the profit and loss account:

	1923	1922	1921
Profit	$49,575	$48,993	$43,707
Prem. on stock	280	480	.....
Insurance	.....	.....	3,084
Bal. forward	1,584	x4,445	2,390
	$51,439	$53,918	$49,181
Dividends	37,466	37,334	34,599
Reserve	10,000	15,000	10,000
Balance	3,973	1,583	4,582
	$51,439	$53,918	$49,181

x Less income tax paid.

Nine Years' Record

Year	Paid-up Capital	Profits	Div.	% on Cap.	Earn. Rate
1923 ..	$536,100	$49,575	7	9.3	6.7
1922 ..	534,700	48,993	7	9.2	6.7
1921 ..	532,300	43,707	6½	8.2	6.1
1920 ..	532,300	43,591	6	8.1	6.3
1919 ..	528,250	47,357	6	8.9	7.0
1918 ..	524,200	47,021	6	8.9	7.2
1917 ..	523,233	44,386	6	8.4	7.0
1916 ..	508,679	46,622	6	9.1	7.7
1915 ..	500,000	41,279	5½	8.2	7.0

The balance sheet shows that the company holds government and other bonds to the value of $129,650. It has mortgages on its books to the amount of $1,152,258, and cash on hand and in banks amounting to $32,222. The liabilities to the public include debentures to the amount of $249,239, and deposits amounting to $322,200. The total assets of the company are given as $1,345,102; liabilities to the public, $576,290, and to shareholders, $768,812.

February Dividends

FEBRUARY DIVIDENDS

Dividends	$4,156,407
Bond Interest..	8,389,169
	$12,545,576

FEBRUARY DIVIDEND PAYMENTS

Company	Rate	Date	Amt.
Amer. Salesbook, pref.	1¾q	1	$ 53,782
B. E. Steel, pref. (B)	1¾q	1	133,703
Brompton, pref.	2q	7	40,000
Canada Cement, pref.	1¾q	16	183,750
Can. Converters	1¾q	15	30,336
Cedar Rapids	¾q	16	66,750
Coniagas Mines	2½q	2	100,000
Cuba Railroad, pfd. ..	3s	1	300,000
Dominion Bridge	1q	15	65,000
Dominion Coal, pfd...	1¾q	1	49,060
Dom. Steel Corp. pfd.	1½q	1	70,936
Donnacona Paper, com.	2q	1	30,000
Fam. Players, 1st. pfd.	$2.00	2q	80,000
Hollinger Mines	1m	25	246,000
Inter. Nickel, pfd.. ..	1½q	1	133,689
Kaministiquia Pw. .	2q	15	49,940
Loew's Buffalo, pfd. ..	2q	1	26,720
Monarch Knit, pfd. ..	1¾q	1	13,125
Mont. L. H. & Pr. cons.	1¾q	15	1,130,620
Montreal Power	2q	15	376,000
Montreal Tramways ..	$2.50q	1	99,827
Murray-Kay, pfd.	1¾q	1	17,500
Ont. Steel Prod., com.	1q	15	7,500
Do., pfd.	1¾q	15	13,125
Penmans, com.	2q	15	43,012
Do., pfd.	1½q	1	16,125
Robin, Jones, Whit., pf.	1½q	1	12,720
Russell Motor, pfd. ..	1¾q	1	21,000
St. Law. Flour, com.	1½q	1	18,000
Do., pfd.	1¾q	1	10,062
Steel of Canada, com.	1¾q	1	201,250
Do., pfd.	1¾q	1	113,686
Western Trust	3s	1	30,150
			$3,783,368

BANKS

Bank—	Rate	Date	Amt.
Imperial	3q	1	210,000
Standard	3q	1	120,000
Sterling	2q	14	24,682
Weyburn Security . ..	3½s	21	18,357
			$373,039

q—Quarterly.
s—Half-yearly.
m—Monthly.

BOND INTEREST DUE IN FEBRUARY

Company	Rate	Due	Amount
Abitibi	6	1934	$ 96,945
Algoma Cen. Term..	5	1962	124,817
Canada Bread	6	1941	32,712
Canada Foundries .	6	1942	5,067
Canada Paper	6	1938	4,500
Canada Steamships .	5	1943	123,077
C.N.R. Sifton Br. ..	4	1929	22,746
Do., Man. & S. E.	4	1929	10,248
Duluth South Shore	4	1990	302,140
Harris Abattoir . ..	6	1928	19,440
Holt, Renfrew	6½	1937	19,500
Illinois Tr., A. & B.	5	1925	75,000
Interlake Tissue. ..	6	1935	9,600
Lyall Construction .	6	1932	22,659
Maple Leaf Mill. ..	6½	1943	65,000
Mexican L. & Pr. ..	5	1940	283,512
Price Bros.	6	1943	300,000
Rogers, Wm.	6	Ser.	12,750
St. Maur. Power. ..	6½	1953	293,364
Wayagamack	6	1951	137,415
Woods Mfg.	6	1931	9,450
Wpg. Sub. R. Trans.	5	1938	17,500
Havana Electric. ..	5	1952	201,727
Corporation Bonds			$2,189,169
Municipal Bonds			x3,400,000
Provincial Bonds			x2,800,000
			$8,389,169

x This figure is determined by dividing by 12 the estimated total interest payable during the year on these issues.

Herbert Tareyton SMOKING MIXTURE

"THERE'S SOMETHING ABOUT IT YOU'LL LIKE"

The 61st ANNUAL REPORT of the Waterloo Mutual Fire Insurance Company

DIRECTORS—Allan Bowman, Preston; P. E. Shantz, Preston; J. Howard Simpson, Guelph; Richard Roschman, Kitchener; L. W. Shuh, Waterloo; W. G. Weichel, Waterloo; Aloyes Bauer, Waterloo; Joseph Stauffer, Galt; J. H. Roos, Waterloo.

ALLAN BOWMAN, President. L. W. SHUH, Vice-Pres. and Manager; ARTHUR FOSTER, Ass't. Mgr. and Sec., B. E. BECHTEL, Inspector.

RECEIPTS

Premiums, Cash and Fees........	$278,557.25
Premiums, Mutual	89,336.94
Interest	47,536.15
Rents	260.00
Re-insurance for Losses	35,697.58
Profit and Loss Account	22,076.46
	$473,464.38

EXPENDITURES

Losses	$188,753.11
Rebates, Cash and Mutual	27,997.28
Re-Insurance	58,296.13
Commissions	51,874.36
Expenses of Management	57,184.54
Taxes (Dominion, Provincial and Municipal)	5,934.95
	$390,039.37
Balance	83,425.01
	$473,464.38

ASSETS

Real Estate	$ 30,000.00
Mortgages	6,300.00
Debentures	1,008,641.46
Agents' Balances	1,129.25
Cash on Hand	9,907.40
Cash in Bank	23,805.30
Accrued Interest on Debentures and Mortgages	26,725.96
	$1,103,460.39

LIABILITIES

Unpaid Losses (net)	$ 4,747.99
Re-insurance Reserve	206,002.81
Balance	892,709.59
	$1,103,460.39

Premium Notes after deducting all payments thereon	271,025.60
Total Assets	1,374,486.08
Cash Balance over all Liabilities	892,709.59
Deposit with Provincial Government	100,000.00

ALLAN BOWMAN, President L. W. SHUH, Manager.

Waterloo, January 9th, 1924.

To the President, Directors and Policyholders of the Waterloo Mutual Fire Insurance Company.

Gentlemen—We beg to report that we have made a regular successive monthly audit of the books of account and vouchers of your company during the year ending 31st December 1923, and that we have found the same correct and according to the abstract statements submitted herewith.

We have also examined the securities held by your Company, and find that they agree with your accounts and are according to the detailed statement thereof as submitted by us.

In our opinion the balance sheet referred to in this report is properly drawn so as to exhibit a true and correct view of the state of the Corporation's affairs as shown by its books.

J. M. SCULLY, F. C. A., J. SCULLY, Auditors.

Waterloo, Ont., 9th January, 1924.

An Expensive Business Training

A YOUNG MAN often pays dearly for the business training he receives as Executor of his Father's will. If he succeeds in administering the estate well and assuring a good income to his Mother and Sisters, it is often at the cost of work, worry, and nerve strain that overtax his energy.

And if he fails—it is the Family which pays.

Young men must learn in the hard school of experience. But by administering an estate upon which a family is dependent—No. There is too much at stake.

Save your boy for his own business or profession.

Save your fortune for your family.

Name the Canada Permanent Trust as your Executor, and make sure of experienced protection.

CANADA PERMANENT TRUST Co.

Paid-up Capital One Million Dollars

Toronto Street, Toronto.

Manager Ontario Branch A. E. HESSIN

Automobile and Piano Paper

MANUFACTURERS FINANCE CORPORATION LIMITED

TORONTO, Federal Building

AUTHORIZED CAPITAL - - $6,500,000

National Trust Company Celebrates A Quarter-Century of Trusteeship

Sir Joseph Flavelle, Bart., President, and Mr. W. E. Rundle, Vice-President and General Manager, Review Company's Progress Over Twenty-five Years—Assets Under Administration Increase in 1923 by Thirteen and A Half Millions, Now Standing at More Than $126,000,000—Deposits Increase by 33 per cent.—Profits Also Show Increase.

TWENTY-FIFTH YEAR LARGEST ON RECORD

Survey of Western Farming Conditions—Mixed Farming will Greatly Help Present Difficulties—Universities and Agricultural Colleges Show Leadership—Canada's Experience in '90's Gives Ground for Confidence Now—Maintain Vigorous Immigration Policy—Should Canada Borrow Abroad?

A gain of thirteen and one-half millions in assets under administration and an increase of 33% in deposits were features of National Trust Company's progress in 1923 as reviewed by the President of the company, Sir Joseph Flavelle, Bart., and Mr. W. E. Rundle, Vice-President and General Manager, at the Twenty-sixth Annual Meeting, held yesterday.

In moving the adoption of the Report, Sir Joseph Flavelle said:—

PRESIDENT'S REMARKS

It gives me great pleasure to present to you to-day a statement of the Company's affairs which I believe you will consider most satisfactory.

Both in earnings and in new business undertaken, the year 1923 is the best in the Company's history. The assets now under administration exceed $126,000,000, and are comprised of property both real and personal which comes under the Company's daily administration. I am sure the Shareholders will feel gratified that so large a business has been built up during the 25 years since the Company's incorporation in 1898. This great volume of business requires a large staff of varied qualifications, and I can assure the Shareholders that we have not only a staff which is efficient, but one which is loyal in the highest degree to the interests of the Company and to its clients.

One of the interesting illustrations of the development which has taken place in Canada during the last quarter of a century is the growth of our Trust Companies. As the wealth of the citizens of a country accumulates, the necessity for a Trustee increases. Twenty-five years ago, when this Company was incorporated, the assets under the administration of Canadian Trust Companies amounted to some $15,000,000. Now, according to the latest and fullest figures available, they amount to approximately $1,000,000,000. One has only to submit these figures to show that the Trust Company has won its way in Canada. And when we bear in mind that Canada is but yet at the beginning of its economic development, we secure a glimpse of the future possibilities and prospects for Trust Companies in the Dominion.

Before moving the adoption of the Report, I shall ask the General Manager to address you, and as his remarks will refer in some detail to the Balance Sheet, I shall not refer to it further.

During the year your Directors authorized subscriptions to various charitable funds. A resolution in confirmation of these subscriptions will be submitted to you to-day.

I desire on behalf of the Board to express appreciation of the services given to the Company's affairs by the Resident Directors at Montreal and at Winnipeg, and also to acknowledge the valuable services of Messrs. Thomson, Dickson and Shaw, and of Messrs. Finlayson, Auld and Mackechnie, the Company's Agents at Edinburgh and Glasgow, respectively.

The General Manager will now address you.

The General Manager, Mr. W. E. Rundle, then spoke as follows:

General Manager's Remarks

Sir Joseph and Gentlemen:

In August last the Company attained its twenty-fifth birthday, and you will, I am sure, be glad to learn that the year in which we reached the age of 25 was the most successful in the Company's history. Our earnings for 1923 are the largest on record, while the assets now under our administration have reached figures greater than in any previous year.

A Quarter-Century of Trusteeship

Before dealing with any particular item in the Balance Sheet or before making any general comment, will you bear with me for a moment while I briefly sketch the Company's progress during the twenty-five years. It is, I think, but natural and fitting that we should to-day review the record of the past in the hope that from it we may draw inspiration for the future. Put into a paragraph, our history is this: In August, 1898, the Company opened its doors in King Street, Toronto, for business. It had a Capital of $1,000,000, with a Reserve of $250,000. These two items constituted the whole of the assets under its administration. It had no trusteeships,—in fact, no other business than to invest the sums mentioned. It had but one office and a staff of 5. To-day we have five offices in Canada and a special representative with office in London, England. Our staff now numbers 224. Our Capital has grown to $2,000,000, and the Reserve to $2,000,000, while the total assets under administration amount to over $126,000,000. Nor is this the full story. In addition to the assets under our administration we have been appointed Trustee for bond issues aggregating hundreds of millions of dollars, and Transfer Agent and Registrar for the shares of companies whose combined capitalization amounts to hundreds of millions more. We are custodian of property, deeds and securities held for safe-keeping, and Trustee in scores of escrow transactions where the value of the properties held on behalf of others also runs into large figures. The duties performed under these trusteeships are varied and bring the Company into touch with a large clientele.

A Record of Progress

It might be interesting to illustrate the Company's rapid growth by giving the assets under administration at different periods five years apart, beginning with 1898, the year of incorporation:—

Assets Under Administration

1898	$ 1,250,000.00
1903	6,773,342.60
1908	17,021,994.72
1913	44,515,502.17
1918	80,091,670.74
1923	126,094,947.57

I submit that the record of achievement so briefly outlined is one of which the Shareholders may feel proud. I am sure it far surpasses even the greatest expectations and hopes of the founders of the Company.

Past Traditions Will Govern the Future

And may I say a word before leaving the subject of the Company's growth as to the sound traditions which have been firmly established in the character of the business which the Company will undertake. We confine ourselves to a purely trusteeship business and refuse to engage in the promotion, financing or underwriting of new enterprises or in the development or exploitation of real estate. The moneys we receive from the public under our guarantee,—such as demand deposits, and sums for fixed periods,—are invested in trustee securities only,—government and municipal bonds, and first mortgages,—while our Capital funds are, as will be seen from the Balance Sheet, mainly invested in similar securities and no element whatever of speculation exists.

With the foundations of a large and splendid business well laid, with traditions for conservative investment well established, and with principles of progressive and efficient management well founded, we should surely centre upon our next quarter of a century of development hopeful and confident, but remembering that the greater the responsibilities committed to our care the greater the duty upon us to give the highest type of service to those whose confidence we enjoy.

A Record in New Business and Profits

Referring to the Balance Sheet, the net profits for 1923 amount to $316,659.78—a sum slightly less than 16 per cent. on the Company's Capital, or, to express the comparison more fairly, 8 per cent. on the combined Capital and Reserve of $4,000,000. These earnings, together with $157,880.50 brought forward from last year into Profit and Loss Account, enabled the Company to pay $240,000 in dividends to its Shareholders, being at the rate of 12 per cent. per annum, to provide $30,000 for Dominion Income War Tax, and to carry forward $204,540.28 into the Profit and Loss Account for the year 1924.

The assets which have come under our administration during the year again show a large increase, namely, $13,551,539.48, and bring the total assets now committed to our care to the very substantial total of $126,094,947.57. These are striking figures and bespeak better than words could do the measure of public confidence the Company enjoys.

Increased Deposits Show Public Confidence

I would also direct attention to the large increase (33 per cent.) which has again taken place in our Deposits during 1923. The public is more and more coming to realize the high character of the investments in which by law Trust Companies are compelled to invest deposits. The investments are limited to Government and municipal bonds and to first mortgages. Centuries of experience have determined and crystallized into law that these securities are the safest of all investments. Added to the safety of the investments themselves are the safeguards afforded by Government Inspection of Trust Companies. Hence it is but natural to expect confidence in Trust Companies, as depositaries of the people's savings, to continue to grow.

You will observe from the Statement how strong is the Company's liquid position.

Following our usual custom the Directors and the Management have again carefully reviewed each and every of the Company's investments, including, of course, its mortgages. I am sure you will be pleased to know that the investments, meaning thereby all the assets of the Company, whether held on Capital or on Guaranteed Trust Account, are carried in the Balance Sheet now before you at figures well below present market prices, and that ample provision has been made to take care of all contingencies.

The Company's Mortgage Loans

We have, as you know, a large amount of Capital and Guaranteed Funds out on mortgage. For the purpose of the few remarks I shall make upon this subject I shall separate the Company's mortgage loan business into two divisions — that carried on by the Toronto and Montreal Offices in territory lying east of the Great Lakes, and that done by the Winnipeg, Saskatoon and Edmonton Offices in the three Prairie Provinces west of the Great Lakes.

In respect of our mortgages lying east of the Great Lakes and which cover both farm and city property, we hold no foreclosed property whatever, while even the interest in arrears is so trifling there is no need to dwell longer upon these mortgages.

It is also true, of course, that the interest on the great bulk of our mortgages lying west of the Great Lakes has been well and satisfactorily met. We have been lending money on mortgage on Western Canada for over twenty years. The record has been a splendid one. This is no doubt due in an important measure to the care exercised in the selection of our loans. In the first place, 80 per cent. of our mortgages in Western Canada are upon the security of improved farms, while three-quarters of the remaining 20 per cent. are upon improved business and residential properties in the City of Winnipeg—the largest and chief city in the West. We have less than $300,000 in all on mortgage upon urban property outside of Winnipeg. It will, I think, interest you to know that our farm loans in Manitoba, Saskatchewan and Alberta average but $9.50 per acre, $7.51 per acre and $8.26 per acre respectively, exclusive of the value of the farm buildings. The latter add, of course, materially to the security. But the low averages mentioned indicate clearly that our inspectors' valuations of farm lands have been kept on a safe and reasonable basis. While during the twenty years we have been lending in the West we have made some small losses on mortgages which had to be foreclosed, we have made profits on others. To date the latter have exceeded the former. Whether our experience will be the same during the next two or three years I somewhat doubt. I think we must expect some marginal losses in the West before conditions there fully return to normal. You will observe from the Balance Sheet that our claims against foreclosed mortgages are set down as amounting to $238,959.28. The properties held as security for these claims are all west of the Great Lakes. In reality our claims against these properties amount to substantially more than the sum mentioned. However, in carrying out the policy already alluded to of making ample provision for all contingencies, we determined to put the knife deep into this asset and write it off accordingly. We hope and fully expect to recover, when the properties are sold, a substantial part of the amount written off, in which event the Shareholders will benefit accordingly. What is, however, of the first importance to the Shareholders to-day to know is that the worst has been anticipated and full provision made for it.

Agriculture in the West

The splendid crops of Saskatchewan and Alberta for 1923 are already showing their effect upon those Provinces. In Alberta it is probably true that the yield of wheat alone was as great as that of two ordinary years. Many parts of Saskatchewan fared almost as well. Thus these two Provinces will so benefit by volume as to more than offset the disappointingly low prices which, owing to world-wide conditions, still maintain, and the high costs of production which still rule. Our own Company is already experiencing the benefits of these fine crops in the much greater interest collections we are receiving than those of a year ago. There is no doubt that the farmers of Alberta and Saskatchewan will reduce their indebtedness to a marked degree out of the proceeds of their 1923 crops, and thus improve their own position and that of their Provinces generally.

The crop in Manitoba which shortly before harvest looked so promising, largely succumbed to rust and sawfly. Hence conditions in that Province are disappointing, and many farmers will require additional credit to enable them to properly provide for the ensuing year's operations. Notwithstanding these adverse conditions, my information is that last fall there was as much land as ever made ready in Manitoba for seeding in the coming spring. The period of adversity through which the West is now passing is by no means the first which the Manitoba farmer has encountered, and consequently he is meeting his difficulties in the way he has met them before, with courage and perseverance, confident that he will again win through.

Past Experience Justifies Confidence

Before passing from the consideration of Western conditions, I would like to call attention to the splendid efforts now being made in the West to develop a more diversified system of farming. Great possibilities lie in this direction. I wish I had time this morning to tell you something in detail of what our friends in the West have done during the last three years in agricultural development work. It would, I am sure, surprise you unless you have followed it closely. Suffice it to use a single illustration. In 1923 Manitoba, Saskatchewan and Alberta manufactured 39 million pounds of creamery butter in addition to all their dairy butter. And yet until recently these same Provinces were importing butter from outside — using the proceeds of their wheat crop to pay for it. Cheese, cream, honey and even fruit could also be used as illustrations which have done much and promise much more. And might I pause for a moment to express admiration of the efforts of the Agricultural Colleges and the Agricultural Departments of the Universities in Western Canada which are doing so much to assist in this matter, and doing it with such outstanding beneficial results. We owe much to their leadership.

Some of us can still recall how in other parts of Canada conditions similar to those which now exist in the West were met and overcome by a vigorous extension of mixed farming. I refer to the period of the nineties when the activities of the Canadian farmers were confined, broadly speaking, to the growing of wheat, barley and oats—the chief market for which was in the United States—and when through the introduction by the United States of the "McKinley Act" we were suddenly shut off from our market through no fault of our own. The Canadian farmer was faced with a most difficult situation. What did he do? With a resourcefulness, a courage and a capacity to endure hardship which will forever remain as an example to us all, an example full of significance to both the economic and political development of Canada, he set out to revolutionize his methods of farming to meet new conditions. These were the days before the great development which has since taken place in the Canadian West, and consequently the times and conditions to which I refer affected in largest measure our older Provinces. Nevertheless, I think there is something of value which we today can learn from those earlier years. Among the handicaps from which our farmers of the nineties suffered was the lack of capital. Those were the days of small beginnings and before Canada had greatly attracted the eye of outside capital. The farms were already mortgaged. Wherever possible mortgages had to be increased, and even chattel mortgages were called into requisition to a distressing extent. But men worked as they had never worked before, saved and economized as never before, contrived as never before, co-operated as never before, until slowly but surely obstacles gave way, difficulties were overcome, and the desired goal was reached. A better day for Canada had dawned. Those who brought it about had the satisfaction of knowing their great accomplishment—for it was a great accomplishment—was due to their own manly efforts and stimulating virtues, to their own sound and rugged views of true economic principles and business methods. They also knew that they listened not to the siren voice of sapping paternalism. I have so much confidence in the natural advantages of Canada as an agricultural country, and so much faith in the sound sense and capability of her people, that I venture to believe the difficulties which now confront us in the West will in the course of a very few years pass into history, and pass without the adoption meanwhile of unwise experiments which cannot solve but must in the end only but heighten difficulties.

Need of Sustained and Vigorous Immigration Policy

It is encouraging to note the greater activity which is taking place with respect to immigration. During the year 1923 we experienced a considerable exodus. No doubt this was due in largest measure to the extraordinary demand for labor at high wages which has existed in the United States. As trade conditions improve in Canada it is not vain to hope that many of those who left our country during the year will return. It is but to be expected that the United States with its large population and its opportunities, will always tend to draw to itself some of our people. This but emphasizes the importance to Canada of a vigorous immigration policy well sustained without interruption from year to year. While we may on occasions lose some of our people to the United States, there will also inevitably be drawn to Canada from that country over a course of years great numbers of immigrants who will desire to take advantage of the cheaper fertile lands of Canada.

Should Canada Borrow Abroad?

One of the most interesting and significant financial events in Canada since the war is the absorption by our people with apparent ease during the year 1923 of government (including government guaranteed) and municipal bonds aggregating $333,000,000, and in addition $57,500,000 of similar securities issued during the present month. This is something of which every Canadian may feel justly proud. It is a great tribute to Canada's financial strength, and strikingly evidences the faith we have in our country and in ourselves. Financial centres like New York and London have been greatly impressed. Canada's credit never stood higher. Perhaps in these circumstances it is difficult for some to see why we should not continue to borrow from ourselves. Nevertheless I venture to ask whether, bearing in mind we are a young country with great natural resources requiring capital to develop, we should not hereafter determine to borrow abroad for some, at least, of our requirements. This is a question I am sure we will all do well to ponder carefully.

The Outlook for 1924

Just a word in closing as to the outlook for 1924. I shall not attempt to prophesy, for prophecy without a prophet's vision is dangerous. It does seem to me, however, that while all is certainly not what we would like, yet we have several grounds for confidence. The harvest of 1923 was kinder than that of a year ago. The volume of our external trade is running at high figures. The balance of trade is substantially in Canada's favor. We have still a large quantity of wheat to market during the next few months. Whatever the vagaries in price, the returns to the country will run into large figures. It is disappointing that conditions in Europe still continue unsatisfactory. Canada has a vital interest in Europe. If, as we hope and as may well be, good results flow from the conferences now in session at Paris and at Berlin, they would add greatly to the stimulation of trade between this continent and Europe. They would do much to make the year 1924 a memorable one for the world.

ON GUARD

National Trust Company

Limited

PROFIT AND LOSS ACCOUNT

For Year ending 31st December, 1923

Balance 31st December, 1922	$157,880.50
Net Profits for the year after deducting cost of Management, Directors' and Auditors' Fees, Contingencies, etc.	316,659.78
	$474,540.28
APPROPRIATED AS FOLLOWS:—	
Quarterly Dividends: Nos. 93 to 96, at the rate of 12% per annum	$240,000.00
To provide for Dominion Income War Tax	30,000.00
Balance Carried Forward	204,540.28
	$474,540.28

Balance Sheet, 31st December, 1923

ASSETS

CAPITAL ACCOUNT:			
Office Premises and Safe Deposit Vaults at Toronto, Montreal, Winnipeg, Saskatoon and Edmonton		$448,889.09	
Real Estate held for sale under mortgage foreclosure		238,959.28	
Rents due and accrued		4,055.95	
Mortgages:			
Principal	$2,034,503.21		
Interest due and accrued	160,074.83		
		$2,194,578.04	
Loans on Stocks and Bonds		415,272.81	
Securities:			
Dominion of Canada and Provinces of Canada	$161,992.38		
Canadian Municipalities and School District Debentures	155,918.22		
Other Bonds, Debentures and Debenture Stocks	137,510.07		
		$455,420.67	
Stocks		313,001.88	
Cash in Chartered Banks		94,256.64	
Cash on Hand		33,265.62	
Advances to Estates and Trusts		172,883.29	
			$4,370,583.27
GUARANTEED TRUST ACCOUNT:			
Mortgages:			
Principal	$5,048,253.13		
Interest due and accrued	339,052.61		
		$5,387,305.74	
Loans on Government and Municipal Bonds		400,452.77	
Securities:			
Dominion of Canada and Provinces of Canada	$359,165.10		
Canadian Municipalities and School District Debentures	708,851.01		
		$1,068,016.11	
Cash in Chartered Banks		538,477.10	
Cash on Hand		46,736.69	
			$7,440,988.41
ESTATES, TRUSTS AND AGENCY ACCOUNT:			
Funds and Investments		$114,283,375.89	
			$114,283,375.89
			$126,094,947.57

LIABILITIES

CAPITAL ACCOUNT:			
Capital Stock, subscribed and fully paid	$2,000,000.00		
Reserve Fund	2,000,000.00		
		$4,000,000.00	
Special Reserve for New Branches		50,000.00	
Dividends Declared and Unpaid (Dividend No. 96 due Jan. 2, 1924)		60,000.00	
Mortgages in Process of Completion		30,030.30	
Reserve for Balance Dominion Income War Tax		26,012.69	
Profit and Loss		204,540.28	
			$4,370,583.27
GUARANTEED TRUST ACCOUNT:			
Trust Funds for Investment		$3,463,064.84	
Trust Deposits		3,977,923.57	
			$7,440,988.41
ESTATES, TRUSTS AND AGENCY ACCOUNT:			
Estates, Trusts and Agency Account		$114,283,375.89	
			$114,283,375.89
			$126,094,947.57

Board of Directors:

President: SIR JOSEPH FLAVELLE, BART.

Vice-Presidents: E. R. WOOD, W. E. RUNDLE, HERBERT C. COX

HON. SIR EDWARD KEMP, K.C.M.G.
H. H. FUDGER
CHESTER D. MASSEY, LL.D.
H. B. WALKER
J. H. PLUMMER, D.C.L.
HON. F. H. PHIPPEN, K.C.
H. J. FULLER
T. B. MACAULAY
W. M. BIRKS
E. M. SAUNDERS
SIR JOHN AIRD
JAMES RYRIE
NORMAN J. DAWES
RT. HON. SIR THOMAS WHITE, K.C.M.G.
HARRINGTON E. WALKER
MILLER LASH, K.C.
A. MCT. CAMPBELL
KENNETH MACKENZIE
GEORGE W. ALLAN, K.C.
EDWARD FITZGERALD
LEIGHTON MCCARTHY, K.C.
CARL RIORDON
GEORGE W. MCLAUGHLIN
W. H. MCWILLIAMS
W. G. MORROW